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TUESDAY,
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MARGINAL COLUMN

By JOHN DAVY

INTEREST at the Seventh International Astro-Nautical Congress, which has just taken place in Rome, naturally centred round the artificial earth satellites which the Americans — and probably the Russians — will launch during the International Geophysical Year (July, 1957 — December 1958). Testing of the three-stage rocket vehicle, which will carry the satellite up from the earth and fire it into its orbit, is due to begin in a few weeks' time. The Glenn Martin Company, which will build the carrier rockets, proposes to test the third stage first. This will be a relatively small rocket with a chamber in the nose to hold the football-sized satellite. A Viking research rocket (a development of the V-2) will carry the third-stage rocket up to some 150 miles, from where it will be fired off to travel on its own. The test will check the performance of the third-stage rocket and the method of launching it. It will not carry an actual satellite at this stage of course. Tests to be begun early next year will check the performance of the second stage of the rocket vehicle, and finally the huge initial boosting rocket will be tested in conjunction with the others.

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IN comparison with some of the projects discussed in Rome, the artificial satellites sound like something invented in the Stone Age. A round trip — Earth-Mars-Venus-Earth—in one year was the subject of one paper. How to get to the nearest star was discussed in another. An interesting topic was "space law." Can we expect beings from other planets to conform to our ideas of law? To be guided by the principle of treating them as we would have them treat us might have disconcerting results, but the author of this paper, who is chairman of the international affairs committee of the International Astro-Nautical Federation, emerged briefly from the realm of science fiction to consider actual problems of "space jurisdiction" which are already pressing. The International Civil Aviation Convention, he pointed out, at present forbids the unauthorized passage of pilotless aircraft "over the territory of a contracting State." Artificial satellites, including the bigger and better ones which are likely to be launched after the International Geophysical Year, may "violate the municipal law of half-a-dozen nations." Serious study is already being given to this problem. The International Civil Aviation Organization, at its meeting in June this year, officially recognized the need to study space law.

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IN informal discussions, many perfectly sober scientists have said that a manned satellite should be possible in 10 to 20 years. Getting a man up into an orbit round the earth seems to be regarded as fairly easy. Getting him down again safe and sound is a tougher problem. The vehicle would have to return to earth in a long shallow glide. But at a speed of many thousands of miles an hour it would get red hot as soon as it entered denser parts of the atmosphere. Some fuel would have to be kept in reserve to slow the satellite down on the edge of the atmosphere. Once travelling at a reasonable speed, a long glide down to earth, with perhaps a parachute landing at the end, would be quite feasible.

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AN alarming film was shown during the Congress, of mice which were fired 150 miles high in the nose of a research rocket. A cine-camera inside the rocket recorded their behaviour during the flight. For part of the time the mice were free of the force of gravity and floated around grotesquely in their little aluminium chamber looking thoroughly disorientated. Nevertheless, they arrived back on earth by parachute none the worse for their experiences, and have since produced a large and normal family. Two monkeys travelled in the same rocket and also came to no harm; they are now living in honourable retirement at the United States Air Force laboratory which made the experiment.

Rome, October 1.

15 States Inaugurate Canal Users Group

LONDON, Monday (Reuter). — The Suez Canal Users Association was formally inaugurated in London today by 15 of the 18 countries participating in the conference. Representatives of Ethiopia, Japan and Pakistan did not join the Association today.

A British Foreign Office spokesman said that the representatives of Denmark, Norway and the Netherlands had pointed out that their membership was subject to formal participation by their parliaments.

The Governments which today inaugurated the Association are Britain, France, the U.S., Norway, Sweden, Denmark, Australia, New Zealand, West Germany, Italy, the Netherlands, Portugal, Spain, Persia and Turkey.

Today's meeting set up three committees of experts and adjourned until tomorrow afternoon or Wednesday morning. The first committee will examine the organization of the Association, including the powers of its Plenary Council, its Executive Council and its Administrator, who has yet to be selected, and their relationship to each other.

The British spokesman, in answering questions, said he believed that this committee would also consider the question of wider membership of the Association.

The second committee, comprising experts with knowledge of shipping matters, will review the important matter of payment of Suez Canal tolls.

Both these committees started work this afternoon.

The third committee will discuss the Association's financial arrangements and its proposed budget.

Foreign Secretary Selwyn Lloyd, who presided over the opening meeting, said that the British Government's position was what it had always been. It believed that it had certain rights to management and operation of the Canal and that it was not prepared to see the Canal under the control of a single Government. However, it sought a peaceful settlement.

Mr. Lloyd told the conference that the representatives of Ethiopia, Japan and Pakistan were welcome at all meetings of the Association this week as observers. He expressed the hope that they would eventually join the Association.

The British spokesman said that none of the 15 countries which today joined the Association had done so with reservations.

Gaitskell: Must Assure Israel's Suez Rights

BLACKPOOL, Monday (Reuter). — The leader of the British Labour Party, Mr. Hugh Gaitskell, said here today that he had little doubt that Colonel Abdul Nasser of Egypt would agree to a negotiated settlement of the Suez Canal dispute if the temperature of the crisis was allowed to drop.

But, he said, the rights of Israel and Israel's shipping must not be forgotten, and this would have to be part of the negotiations. Mr. Gaitskell suggested that a "real settlement" between Israel and the Arab states could be achieved.

Making his first appearance as leader at the party's annual conference, he suggested "a half-way house settlement" under which Egypt would maintain the Suez Canal with a management board and the Canal Users would have a supervisory board whose function would be to regulate charges and negotiate about development plans.

With one dissention only, the conference of 1,300 delegates — representing 6.5 million Labour members — approved an official emergency resolution condemning the Government for its "lamentable handling" of the Suez issue.

The resolution praised the parliamentary Labour Party on the stand it had taken and on its part "in committing the Government to refer the dispute to the Security Council."

Conformation to Charter

It reaffirmed that British policy must conform to the spirit and letter of the U.N. Charter and aim to achieve a peaceful settlement by negotiation.

Mr. Gaitskell declared that the real issue on Suez was simply the circumstances in which the use of armed force was justified. "Even now, after all these weeks, we have no clear undertaking from the Government that they will only use force in accordance with the U.N. Charter," he said. "While we condemn the way in which Colonel Abdul Nasser has nationalized the Canal company, and we recognize the dangers of aggression in the Middle East, what he did does not in our view justify in any way the use of armed force against Egypt."

Mr. Gaitskell, however, reminded the conference that Abdul Nasser had stopped Israel shipping from going through the Canal. "Time and again they have made it quite plain — Abdul Nasser in particular — that his aim is extermination of the neighbouring State, Israel." He recalled that last year the conference passed a unanimous resolution favouring an Anglo-Israel alliance. In 1950, the Labour Government was one of the signatories of the Tripartite Declaration.

"We cannot ignore the fact that Egypt quite recently has purchased arms from Czechoslovakia, and in any negotiations for settlement, we must not forget the rights of Israel and Israel shipping. This is the issue we must not let go by default. We must create a real settlement between Israel and the Arab states. This would involve the settlement of refugees who live in such terrible conditions on the borders of Israel, and the end of the economic boycott of Israel."

In the debate, a former Secretary for Commonwealth Relations, Mr. Patrick Gordon Walker, said: "We should recognize the right of Arab states to nationalize oil wells and installations with due compensation. We should clearly state that in order to stabilize the Middle East it would be a proper policy to sell adequate arms to Israel."

Lists Failures

This year party Chairman, Mr. Edwin Gooch, declared today that Britain's "moral leadership, reputation for justice and fund of goodwill" had been frittered away by the Conservative Government's handling of foreign affairs.

In his opening speech to the conference here, Mr. Gooch said that in the Suez crisis, the Government had "even brought us to the verge of war, and of being branded as aggressors. What has alarmed and shocked us above all, is this: that a British Government could contemplate — in the mid-twentieth century — using military force to settle disputes, and for the sake of getting its own way."

"Suez is the latest of the many failures which have discredited all our Middle East policy," he declared. "The Government has turned a blind eye to the arms race time after time. Having declared its policy to be support for Britain's friends, it tried to coerce Jordan into an alliance — while Israel has been excluded, ignored, snubbed and denied arms — although this country has no better friend there than Israel."

Mr. James Callaghan, M.P., referred to the cauldron of hate which existed in the Middle East. He said that Israel wanted peace and appealed to the Egyptian people to discontinue their campaign of hostility and help produce understanding in the area.

Sir Leslie Plumner, M.P., who devoted a large part of his speech to Israel, made a powerful appeal that she should be given arms in order to defend her great achievements of sovereignty and territorial integrity.

NO WESTERN ACCORD ON SUEZ STAND

WASHINGTON, Monday (UP). — American officials said today that there is less than complete agreement between the U.S. on the one hand and Britain and France on the other as to what kind of resolution ought to be sought in the coming Security Council session on the Suez Canal.

This is because the U.S. has not decided on the position it will take, while the other two powers apparently want a resolution for placing the Canal under international control.

The U.S. officially agrees that a formula which does not provide for international control of the Canal would [illegible], but there is the question now of how hard the U.S. is prepared to defend this stand at the coming meeting.

American doubts stem mainly from the fact that U.S. officials look to the Council meeting as not likely to produce a solution, and from the feeling that the Suez crisis has entered the stage of seeking compromise formulas behind the scenes.

The Americans believe that a solution would fall somewhere between international control and international advisory powers as envisaged under the Indian proposal, with the Anglo-French goal of "teaching Nasser a lesson" slipping still further into the distance.

Adenauer Calls For Confederacy Of W. Europe

HAMBURG, Monday. (Reuter). — Chancellor Konrad Adenauer today called for a revision of the Western European Union treaty which would produce a co-ordinated military and foreign policy for Western Europe.

He told a press conference that he favoured an "activitation" of the W.E.U. to make Europe something between a federal state and a confederacy.

Dr. Adenauer told a questioner that what he proposed was what he had in mind when, at Brussels last week, he called for the setting up of a European confederacy.

Today he stressed that Britain must be a member of any integrated European body.

Dr. Adenauer said he found full agreement for his viewpoint on Europe in his recent talks with Belgian and French leaders.

Adm. Doenitz, Hitler's Successor, Released

BERLIN, Monday (Reuter). — Former Grand Admiral Karl Doenitz, Hitler's Navy Commander and successor, was released from the Spandau war crimes prison shortly after midnight on completion of his 10-year sentence.

A small crowd, including reporters and photographers, waited outside the gates of the prison. The sentence, passed at the Nuremberg war crimes trial in 1946, expired at midnight. Doenitz recently celebrated his 65th birthday in the jail. His wife, a nurse in Hamburg, had been here for several days waiting to rejoin her husband.

Doenitz, who was Hitler's successor for a week at the end of the war, said after his release that he was not in a position to form opinions and would keep silent for the time being. He looked erect and fit.

S.C.U.A. Facilities Open to Israel

The following is the full text of the replies given by the U.S. Secretary of State, Mr. Dulles, to questions at his Press conference in Washington on September 26 regarding Israel's use of the Suez Canal.

Questioned as to the U.S. view of Israel's participation in the Suez Canal Users Association, Mr Dulles said:

"Well, that matter has not come up. The provisional view which was taken at the second London conference was that the qualifications for membership would probably be similar to those which prevailed at the time of the first London conference; namely, one million net tons or more of shipping through the Canal during the prior calendar year, or a pattern of trade which showed approximately 50 per cent or more dependence upon the Canal. If those are adopted, as seemed to be forecast by the talks of the second London conference of the 18 then Israel would not be eligible to be a member.

"On the other hand, you may recall that the proposal — that the statement that was issued about the Users' Association — did say that the facilities of the Association would be made available to any vessels whether or not members, because we believe that the principle of non-discriminatory passage through the Canal, in accordance with the 1888 Treaty, is one that we should recognize ourselves, and that we should not try to set up an organization which obtained preferential rights for our members. So if any other vessel wants to get the facilities of the Association, those facilities will be available to it."

Asked whether, because in the past five years the Egyptian blockade of the Canal has forced Israel to reroute her ships, Egypt might thus again get away with her blockade of Israel ships and cargoes, the Secretary of State said:

"Well, as I pointed out, whether or not Israel is an actual member of the Association is irrelevant from the standpoint of the facilities of the Association being made available, let us say, to Israel ships and to Israel cargoes. They would have all the facilities of the Association.

"It is awfully hard to guess as to what the volume of Israel trade would have been through the Canal if it had been permitted, or what the number of vessels would have been, and so forth. So I doubt whether you could establish any criteria which would be based upon that kind of guessing, you might say. But I don't think that Israel is prejudiced by that result because of the availability, as I say, of the facilities of the Association to all ships."

To the question of whether he saw, in the new outbreak of incidents along the Israel-Jordan border, any danger of an adverse impact on a settlement of the Suez Canal dispute, Mr. Dulles replied:

"Well, I deplore and regret the outbreak of additional border incidents. They seem to indicate the non-acceptance of the principles for which the Secretary-General of the U.N. strove when he undertook his recent mission to that part of the world. At the moment I do not see any likelihood of a direct relationship of the situation to the Suez Canal nationalization. Conceivably, one might develop, but, so far, the two issues have been rather independent of each other."

Four Killed in U.K. Jet Bomber Crash

LONDON, Monday (UP). — One of Britain's newest delta-wing jet bombers crashed in flames today at London Airport, killing four crewmen. The chief of the Royal Air Force Bomber Command, Air Marshal Sir Harry Broadhurst, and one crewman survived.

An Air Ministry spokesman said the Bomber Command Chief and Squadron Leader Donald Howard, the pilot, apparently used their ejector seats when the plane hit the ground.

Marshal Broadhurst was reported in critical condition.

Peking Readies To 'Liberate' Formosa

HONG KONG, Monday (Reuter). — General Peng Teh, Chinese Defence Minister, today ordered China's armed forces to prepare for a combat mission to "liberate" the Nationalist-held island of Formosa, Peking Radio reported.

In an order of the day to China's Army, Navy and Air Force on the seventh anniversary of the Chinese People's Republic, he accused the U.S. of continuing its "war policy" against China. He said, "U.S. forces are still occupying Taiwan (Formosa), which is an integral part of China's sacred territory."

He also ordered all members of his force to "sharpen your vigilance, master your modern weapons, and work hard, both in military and political training, for defending the socialist construction of the motherland."

Gen. Peng, who commanded the Chinese "Volunteer Army" in the Korean war, reviewed army units before an anniversary day parade in which 500,000 persons took part, including powerful mechanized army units.

Dulles Opens Talks On Iceland Base

WASHINGTON, Monday (Reuter). — Secretary of State John Foster Dulles today conferred with Foreign Minister Emil Johnson of Iceland to persuade him to let American troops remain in his country.

Mr. Dulles began the informal talks at a lunch with Mr. Johnson and a three-member delegation.

Formal talks on Iceland's demand that 4,000 American troops be withdrawn were arranged for later today by the State Department. Talks will continue for four days.

Algerian Terror Wave Kills 7; 109 Wounded

ALGIERS, Monday (Reuter). — French authorities took sweeping security precautions here today following a bloody week-end in which seven civilians were killed and 109 wounded in this strife-torn North African territory.

Sixty-five persons were wounded in Algiers itself when bombs exploded in big cafes yesterday in the first bomb outrages ever committed in the centre of this city of 500,000 people. Twelve of the wounded had limbs amputated.

All troops were confined to barracks, and military and police patrols in the city were stepped up. French newspaper reports said that the authorities also feared possible counter-violence by the European population.

France's Minister Residing in Algiers, Mr. Robert Lacoste, warned today that the insurgents had received orders to maintain a "climate of terror" in Algeria during October — the 24th month of the insurrection against French rule.

M. Lacoste said that throughout Algeria, a total of 2,116 attacks of all types had been committed by insurgents in August. For July, the figure had been 2,450, for June 1,954, and March 2,655.

In Algiers today about 95 per cent of Moslem elementary schoolchildren failed to appear for the term opening. This followed an "order" from the Liberation Front to Moslem parents telling them not to send their children to school.

Democrats Object To Hatoyama's Moscow Trip

TOKYO, Monday (Reuter).— Eighty members of Premier Ichiro Hatoyama's own party met today to condemn his scheduled visit to Moscow and to pledge themselves to do all possible to prevent it.

Mr. Hatoyama is due to leave for Moscow on Saturday to conclude an agreement expected to re-establish diplomatic relations between Japan and Russia.

The formula proposed would defer Japan's claim to territory in the northern island chain of the Kuriles. Today's meeting of members of the Japan Democratic Party expressed concern that this would in fact mean acknowledging the loss of Itorofu and Kunashiri Islands.

Poznan Psychologist Blames Killing on Pent-Up Hatred

POZNAN, Monday (Reuter). — An expert in psychology said here today that "accumulated reserves of hate for the Polish security police" erupted in the beating to death of an official during the Poznan riots on June 28.

Professor Jozef Chalasinki, of Warsaw University, was giving evidence at the trial of the three young men alleged to have played a leading part in the murder of the security officer in Poznan.

The three accused — Jozef Poltynowicz, 20, Kazimierz Jurek and Jerzy Sroka, both 18, are alleged to have been in the van of an infuriated mob which beat, kicked and trampled a 25-year-old security policeman to death because he was said to have killed a woman and two children.

Judgment is expected on Thursday.

Excited Crowd

The Professor said that the murder followed a strike, a demonstration, fighting and shooting. The crowd was in a state of the greatest excitement. Such a crowd could have had immense influence on the individual, he went on.

The court was told that it had been impossible to find the Assistant Professor who was alleged to have told a public meeting at Poznan University that a security officer had shot a woman who had shouted at him, "Give us bread, you bandits."

Meanwhile, in another court, the trial of nine youths accused of stealing arms and attacking the security police headquarters continued.

Mr. Witold Trojanowski, a defence lawyer, complained that the men alleged to have instigated the riots should have gone on trial first. "If we can make a true picture of the riots, then we can truly decide the guilt of each person individually," he said.

Judge Waclaw Zebrowski rejected the plea, saying that the alleged instigators would be tried later. He also turned down another defence request that the hearing should be transferred to a larger room where more members of the public could attend.

The prosecutor, Mr. W. Leman, declared that one of the nine accused, Janusz Suwart, 22, had lied when he said that his father, a veteran Communist, was wrongfully arrested and that this had driven his mother insane and his brother to suicide.

The prosecutor stated that the mother was already insane at the time of the arrest and the brother had committed suicide five years earlier, over an affair between his fiancee and another man.

He produced documents which, he declared, established that Suwart's father, a former security police officer, was convicted in 1953 of having been an agent of the Polish secret police before World War Two.

He said that another of the nine accused, Janusz Bieganski, 20, had falsely stated that his father, also a former security officer, had been wrongfully arrested. Bieganski senior had been jailed for a year in 1949 for carrying out an armed raid on a farm together with three colleagues, and stealing a pig.

Officers Testify

Five army officers told the court that they were fired on when they arrived near the Security police building with troops. They moved into a house where most of the shots seemed to be coming from and found a light machinegun, two other automatic weapons and ammunition.

One officer stated that he found a loose round of ammunition in the pocket of one of the accused, Leon Olejniczak, 35. The other officer said that they saw another accused, Ludwik Wierzbicki, 21, run out of the house carrying an empty machinegun, but they did not see him firing it.

The witnesses said that two soldiers were wounded in action near the building, one fatally. A civilian was also injured.

The trial was adjourned until tomorrow.

EVIDENCE AGAINST NAZI DOCTOR

TEL AVIV, Monday. — Three women and a doctor gave evidence in the District Court today in the accumulation of evidence against Karl Klauberg, who is shortly to be tried in Germany for crimes against humanity. He is said to have rendered women sterile by giving them various injections in the Auschwitz concentration camp.

Women who were "treated" by the Nazi doctor have been asked to come forward and give evidence at the hearing, which continues tomorrow.

(Itim)

AFTER MIDNIGHT

The Vienna newspaper "Die Presse" reported last night that Marshal Tito is discussing withdrawal of Soviet occupation troops from Hungary and Rumania with Russia's leaders.

Israel Leaves MAC Meeting in Protest

MAC Supports Insanity Plea

Jerusalem Post Reporter

Israel walked out of an emergency meeting of the Mixed Armistice Commission yesterday when the U.N. Chairman announced that he would support Jordan's contention that a single soldier, suffering from a mental breakdown, had fired on the group of archaeologists at Ramat Rahel on September 23. Four were killed and 16 wounded in the attack.

A Jordan amendment to the Israel resolution alleged that the M.A.C. investigation had established that one soldier had carried out the attack. It also said that Israel opposed a Jordan proposal to reopen the investigation and to subject to psychiatric examination the soldier Jordan claims was responsible for the attack. This proposal was put forward only at the beginning of the meeting, more than a week after the incident.

The Foreign Ministry spokesman said yesterday that the Israel delegation opposed the holding of a medical examination because the Jordan authorities did not permit U.N. Observers to see the man, alleged to be the guilty one, during the investigation held two days after the incident. Nor did the Jordanians even advise the U.N. of his name.

"Therefore, no value whatsoever can be attached to a medical examination of an unknown individual whom the Jordanians now wish to produce before the Commission," the Foreign Ministry spokesman said.

Declines to Postpone

The Israel delegation asked the Chairman to postpone the voting in view of the situation, but he declined and the vote was taken "contrary to the rules of procedure," the spokesman said.

The Chairman, Col. Christian Moe, explaining his vote on the Jordan amendment, gave it as his opinion that it had not been established that more than one weapon had been fired. He said that the Jordanian authorities might have been notified through the senior officers that a large gathering of people would take place in the immediate vicinity of the demarcation line.

The Chairman was critical of Jordan in recalling that the Area Commanders Agreement provides that "only well-trained and disciplined military or police personnel will be employed in the first line of the defensive organization in this area."

The Chief of Staff of the U.N. Truce Supervision Organization, Maj.-Gen. E.L.M. Burns, found it necessary to add a note to the U.N. communique announcing the results of the M.A.C. meeting last night.

Gen. Burns said that in reporting to him following the meeting, Col. Moe pointed out that the evidence of three of the first four witnesses interrogated by U.N. Observers at Ramat Rahel gave no indications that more than one weapon had been fired.

"The contention that more than one weapon had been fired was advanced by witnesses heard, at their re-

(Continued on Page 3, Col. 6)

Egypt Sends Arms, Supplies to Jordan

The Directors-General of the Syrian, Jordanian and Lebanese Foreign Ministries met in Beirut yesterday to discuss the situation regarding "Israel aggression against Jordan," NEABS reported.

The Egyptian representative failed to arrive in time for the opening meeting, which is to consider the possibility of sending a joint protest to the U.N. Security Council on the Israel raid on Husan, it was stated.

Meanwhile, King Hussein of Jordan, opening the new transmitter of the Jordan broadcasting system in Amman, urged Arab countries to aid Jordan "against the enemy" until the Arabs "regain their rights." The Amman station will broadcast simultaneously with Radio Ramallah.

Planes Land Supplies

The Cairo daily, "Al Ahram," has reported that another group of Egyptian aircraft landed last week in Jordan with Egyptian arms and military supplies for the National Guard. (The report was not published in the Jordan Press, which has again been subjected to severe censorship on all news concerning the Arab Legion and the National Guard.)

The Egyptian arms shipment was the second within a fortnight. The latest supplies reportedly include modern arms produced by Egypt.

A columnist, Nasser e-Din Nashashibi, wrote in the Cairo paper, "Al Akhbar," that the Iraqi-Jordan treaty of 1947, under which Iraq is compelled to aid Jordan militarily, "is nothing but an April Fool's joke." He said that Jordan should long ago have asked for Arab armies to enter her territory because she obviously cannot stand up against Israel. He pointed out that when Jordan first invoked the treaty Iraq failed to respond. Later, when Iraq was ready to dispatch troops, Jordan deferred this move on the pretext of "political considerations."

'Top Secret'

Commenting on the article, the Old City daily, "El Jihad," yesterday condemned the Egyptian columnist for revealing "top secret information about military matters." It said that even if what he wrote were true, the information should have been kept secret.

The Damascus evening paper, "Dimask el Masa," has reported that the Lebanon's refusal to return five Syrian nationalists who sought refuge in Beirut after the assassination last year of Col Adnan Malki, Syrian Deputy Chief of Staff, was still the main obstacle to better relations between the two countries.

On the other hand, the Beirut daily, "Sada Lubnan," said that the Lebanon was "shocked" by the recent statement by the head of the Syrian El Ba'ath Party (to which Foreign Minister Salah e-Din Bitar belongs) that arms had been smuggled from the Lebanon into Syria for "imperialist plotting" and to carry out British-planned subversive action.

Egyptians Release Israel Seaman

HAIFA, Monday. — Mr. Menahem Kabelkin, the Israel sailor taken off the Swedish freighter, s.s. Birkaland, and arrested by the Egyptian authorities in Port Said on July 8, has been released.

The Seamen's Union was notified yesterday that Mr. Kabelkin had boarded another Swedish ship bound for Beirut. He is expected to arrive in Israel by air from Cyprus tonight.

The union's secretary cabled the ship's master asking him to sail into Israel waters to enable Mr. Kabelkin to come ashore in a launch. If this was not possible, he should be allowed to land in Cyprus, it was requested.

After consulting his company, the captain replied that he would land Mr. Kabelkin in Limassol. The Israel Consul in Cyprus made the necessary arrangement for his return home.

Mr. Kabelkin was reportedly released after high-level negotiations between the Swedish and Egyptian Governments. He boarded the Birkaland as an engine-room worker several months ago, after receiving permission to sail on the ship from the Seamen's Registry Office and the Port Police.

LEGION ABOLISHES POLITICAL POLICE

The Arab Legion has abolished its special political police division, according to the Old City daily, "A-Diffa." Until March last, the division was under the command of Sir Patrick Coghill, the British officer at Legion H.Q.

Sharett: Israel's Aim is Peace

MANILA, Monday (UP). — Former Foreign Minister Moshe Sharett of Israel today expressed Israel's readiness to meet with the highest representatives of any Arab state "or all the Arab states" at any appropriate level "to explore a peaceful settlement."

"The attainment of peace is the ultimate goal of Israel statesmanship," Mr. Sharett told a town hall Philippine audience this afternoon. To this end, he added, Israel was seeking the "co-ordinated advancement" of the region as a whole.

The meeting, sponsored by the graduate school of the University of Santo Tomas, was attended by members of the Diplomatic and Consular Corps, members of foreign affairs committees of local Chambers of Commerce, service clubs, and students of the Catholic University.

"Israel is against war," Mr. Sharett told a questioner, "even one that could benefit her."

Mr. Sharett was President Magsaysay's breakfast guest at Malacanan Palace. He presented the President with a book entitled "The Saga of Jerusalem, the Holy City," literature on Israel and bound photographs of his country.

Mr. Sharett is accompanied by Mr. E. Ben Horin, Deputy Director of the Asia-Africa Division of Israel's Foreign Ministry, and is scheduled to fly to Tokyo tomorrow.

Begin Would Free 'Historic Palestine'

TEL AVIV, Monday. — Mr. Menahem Begin, the Herut leader, tonight outlined a programme for a Cabinet which he would lead in the event of his party coming to power in the next general election. He was speaking at the opening session of Herut's 4th national convention in the Habimah Hall.

His aim was to free historic Palestine for the Jewish people. Retaliation was not a policy, he said. However, an act of retaliation could possibly bring about a general war, and the nation had better known this.

On the economic side, the plan of a Herut-led government would be self-sufficiency. A call would be sent out to Jews abroad to invest in Israel without fear of socialism. The General Federation of Labour (Histadrut) would not be disbanded, but its economic enterprises would be transferred to private enterprise. Finally emigration would be curbed by creating a different moral atmosphere.

Dr. Yohanan Bader, M.K., would be the Finance Minister, he stated.

He praised France for her help and proposed that Israel should make an alliance with France because the two countries have common interests. He would also welcome an alliance with the U.S., but opposed a bilateral pact which would in fact make Israel an American dependency. Mr. Begin also said he was prepared to fight even alongside Britain for common interests.

The negotiations for the merger between Herut and the General Zionists failed, Mr. Begin said, because the latter refused to subscribe to two cardinal points: the integrity of the historic homeland and the provision that the constitution of the projected party could be amended by a two-thirds majority of its executive. If the General Zionists renewed their proposals for a merger shortly before the general elections, it would be rejected by Herut as simply "an election stunt."

Cairo Reports British Build-up at Bahrein

CAIRO, Monday (Reuter). — The Egyptian press published reports of British naval and army movements in the Persian Gulf.

"Al Ahram" said that 3,000 fully equipped British troops landed in Bahrein and two British warships carrying additional troops are moored 130 kms. off Bahrein. It said that these British troops had been sent as a guard against any anti-British flareup in Bahrein or neighbouring Arab territory.

Lawson Sees P.M.

The U.S. Ambassador, Mr. Edward Lawson, called on Prime Minister David Ben-Gurion yesterday at his office in Jerusalem.

Israel Envoys Coming For Consultations

Jerusalem Post Reporter

Israel's Ambassadors in the U.S., Britain and the U.S.S.R. will return home for consultations as soon as the Security Council meeting on the Suez Canal is over.

They were to have flown back this week, but because the presence of Mr. Abba Eban is required at the U.N. to put Israel's case on the Suez question on the record, Mr. Eliahu Elath and Aluf Yosef Avidar have been asked to postpone their departures.

The Ambassadors were asked to come home for a brief period to meet Mrs. Golda Meir for the first time in her capacity as Foreign Minister and for the usual pre-U.N. Assembly consultations.

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Social & Personal

The Knesset Speaker, Mr. Yosef Sprinzak, yesterday received Mr. Jose Guevara, parliamentary reporter of the "Manila Times."

•

The Minister of Labour, Mr. Mordechai Namir, yesterday received Mr. Richard Graves, the last Chairman of the Jerusalem Municipal Council prior to the establishment of the State. The Minister also received Mr. Y. Frary Von Blomberg, of the U.S.

•

Chief Rabbi Yitzhak Nissim, Rishon leZion, yesterday received Mr. Meir Grossman of the Jewish Agency Executive.

•

The four members of the Uruguayan Parliamentary delegation yesterday visited Castel village, in the Jerusalem Corridor, where they heard reports on Hadassah's educational and health services from Mrs. O. Goitein and Dr. L. Miller.

•

Mr. Berl Locker, M.K., yesterday called on Mr. Pinhas Lavon, M.K., Secretary General of the Histadrut before leaving for the U.S. on a Histadrut mission.

MEMORIAL SERVICES

The first anniversary of the death of Dr. A. Hantke, one of the founders of the Keren Hayesod, was marked yesterday at the Sanhedria Cemetery in Jerusalem. Dr. Hantke was eulogized by Mr. Eliahu Dobkin, a director of the Keren Hayesod, and Mr. Pinhas Rosen, the Minister of Justice. Among those present were the Speaker of the Knesset Mr. Yosef Sprinzak; the Acting Chairman of the Jewish Agency Executive, Mr. Zalman Shazar; representatives of the Government, members of the Keren Hayesod staff and friends.

•

The Minister for Religious Affairs, Mr. M. Shapiro; the Minister of Posts, Dr. J. Burg, members of the Hoffmann family, Mizrahi leaders, and former residents of Frankfurt a Main were among those present yesterday at the unveiling of the tombstone on the grave of Rabbi Dr. J. Hoffmann at the Nahlat Yitzhak cemetery, Tel Aviv.

Tributes to Rabbi Hoffmann, who had headed congregations in Frankfurt and in New York, were paid by Chief Rabbi I.J. Unterman of Tel Aviv, Dr. M. Nurock, M.K., Rabbi Y. Pollak, Dr. Burg and Dr. E. Mayer.

EMERGENCY PHARMACIES

JERUSALEM: Reznik, 15 Aza, 3662. Hatehiya, Geula, corner Straus, 2452.
TEL AVIV: Marpe, 77 Allenby, 3487. Molchadsky, 7 Ben Yehuda, 23570. Greenberg, 46 King George, 25302. Ahva, 165 Dizengoff, 24717. Maccabi, New Maccabi Qtr., 67387. **JAFFA:** Vita, 61 Street 6. **RAMAT GAN:** Amit, 130 Modi'in, 72984. Noga, Givatayim, opp. Fire Brigade, 73488. **HOLON:** Tikva, Struma Sq. **REHOVOT:** Barak, 150 Herzl, 266.
HAIFA: Balfour, 1 Massada, 2289.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. Romanov, 11 Arlosoroff, 61217. Dr. Greenwald, 33 Yehoshua Bin-Nun, 63963. Dr. Triffus, 32 King George, 2085.
TEL AVIV: Dr. Griffel, 5 Ben Yehuda, 23496. Dr. Levitan, 100 Ben Yehuda, 26507. **JAFFA:** Dr. Shabat, 65 Street 4, opp. Ajami Police Station.
HAIFA: Dr. Sherman, 2 Hanevi'im, 2424. Dr. Ludwig, 24 Shivat Zion, 67417.

Cinemas

JERUSALEM
At 3.30, 6.30 and 8.30 p.m.
ARNON: Away All Boats, 2nd week.
EDEN: Quentin Durward, 2nd week.
EDISON: The Living Desert, 2nd week.
ORGIL: Limelight, 2nd week.
ORION: "Awara," 2nd week.
ORNA: "Sigara and Kas," 2nd week.
RON: To Paris with Love.
STUDIO: The Constant Husband, 3rd week.
TEL OR: "Gli Ultimi Cinque Minuti."
ZION HALL: The Desperate Hours, 2nd week. Matinees: The Greatest Show on Earth.

TEL AVIV
At 2.30, 7.15 and 9.15 p.m.
ALLENBY: Alexander the Great.
ARMON DAVID: "Macao, l'Enfer du Jeu."
CHEN: The Lady Killers, 3rd week.
EDEN: Jadoo, 3rd week.
ESTHER: Guys and Dolls.
MOGRABI: The Man Who Never Was, 4th week.
OPHIR: Without a Home, 4th week.
MIGDALOR: "La Donna la piu Bella del Mondo."
ORION: Mister Roberts, 4th week.
SHDEROT: Sabrina.
TAMAR: "Crime au Concert Mayol."
TCHELET: Picnic, 20th week. Matinees: Miss Teddy Thompson.
YARON: "Les Héros sont Fatigués."
[illegible]: "[illegible]," 4th week.

HAIFA
GAL OR: Alaska Seas. Matinees: Sailor Beware.
ORAH: Private's Progress, 2nd week.
AMPHITHEATRE: Gentlemen Marry Brunettes.
ARMON: "Quand tu liras cette lettre."
ORLY: Knave of Hearts.
EN DOR: Man from the Alamo.
MORIAH: East of Eden, 2nd week.
MAY: Mambo, 2nd week.
ORION: The Big Knife.
ATZMON: Many Rivers to Cross.
PEER: Without a Home.

Yesterday's Press

The Hammarskjold Equation

Lamerhav (Ahdut Haavoda) voices amazement at Mr. Hammarskjold's "parity approach" in his latest report to the U.N. The road to an Israel-Arab peace cannot be paved by distorting the truth or by side-stepping Arab aggression. The only real policy is to prevail upon the Arabs, halt their ceaseless incitement to war and show a readiness to negotiate peace. U.N. is in a position to influence them in that direction.

Al Hamishmar (Mapam) observes that the Secretary-General does not hide his concern over Middle East developments, yet continues to ignore their real causes. The Government of Israel has never consented to separate the problem of the cessation of hostility from the rest of the Armistice Agreements. And if Mr. Hammarskjold accepted the idea of separating the two in the hope and faith that they one day would prove to be a springboard to ending all tension and lead to ultimate peace, it seems that the Arabs have seen it fair to disillusion him. Again, the U.N. by equating attacker with attacked, have done nothing less than encourage Arab rulers to laugh at the agreement and cheerfully forget their undertakings and obligations.

Hamodia (World Mizrahi) says that if Mr. Hammarskjold hoped to buttress the tottering Armistice regime by his latest report he missed the mark when he blamed both side equally for the latest Middle East events. Such a generalization bears the seed of encouragement for Arab aggression, whose ultimate aim has been clearly expressed over and over again.

Communist View

Kol Haam (Communist) is critical of those who are critical of Mr. Hammarskjold's report and states that when the Secretary-General warns that the Armistice regime may collapse he means that we are on the brink of war. This business of attack and retaliation is the work of the imperialists, the paper goes on, who seek revenge for their frustration at Suez and would like to see the area embroiled in war. It is up to Israel to stop telling the Arabs that they should cease attacking but to take the initiative towards peace by yielding on the refugees issue.

Herut writes that the movement on the eve of its fourth annual conference is full of trust that the Herut party, which has been growing progressively stronger since the last elections, will continue to gather strength till it is able to oust the present Government and take the reins in its own hands to lead Israel to political and economic independence and to make her a decisive factor in world counsels.

Haboker (General Zionist) says that the Minister of Interior in his discussions of emigration was most eloquent in the things he left unsaid. One of these things was undoubtedly the fact that people were becoming fed up with the emphasis on "class warfare" in the country. **Herut** commenting on the situation, says that economic factors are not to blame for this flight. We must not underestimate the low morale which prevails at present.

The **Hatzofe** (World Mizrahi) view is that it is unhealthy to try to hide the real implications of emigration and to promise administrative measures to put a stop to it. This phenomenon, which has left no stratum of the nation untouched, must be combated but not before we are appraised of the real reasons that have given rise to it in order to attack the problem at its source.

Hamodia (World Aguda) finds that this "emigration epidemic" is proof that Zionism is not the real factor to attract people as is the real love of Zion and Jerusalem. There is a special and symbolic meaning in the fact that those who have left this country "forever" include many oldtimers and even those who were born here because they could not withstand the temptations of an easier life abroad.

Where to go

• **Meet the Israeli:**—
Tourists invited to meet Israelis at home. Information at Government Tourist Offices, Jerusalem, Tel Aviv and Haifa.

JERUSALEM

• **Exhibitions:**—
Permanent exhibition at the Department of Antiquities, 25 Rehov Shlomo Hamelekh. Special exhibits: Finds from Excavations in Jerusalem, 9-1, 3-5. (Fridays and eves of holidays: 9-1; Saturdays and Holidays 10-1).
Conquest of the Desert, Permanent Exhibition, Daily from 10-1, 4-6. On Friday from 10-1 only. The exhibition is closed on Saturday.
1) Paintings and Photography. 2) Arts and Crafts by Elia Rayoni of Haifa. 3) "Maskit" Works. Artists House. 10-1, 4-7.
1) Selected Archaeological Art objects — new acquisitions. Exhibit of the Month: Binding of prayer-book. Silver, Niello and filigree, Italy, about 1470. In exchange by courtesy of Prof. Bruno Kisch, New York. Bezalel, 9-1, 2-5.
• **Film Shows:** —
Israel Films — Keren Hayesod.
• **Tours:** —
Hebrew University conducted tour. Terra Sancta Bldg., Room 27a, 10 a.m.

TEL AVIV

Italian specialities, lunch, dinner, music. Luky's Bar, 3 Allenby Rd. Air conditioned.
• **Tourist Service:** —
Z.O.A. House. Tourist Service Welcomes You — 9.30 a.m. to 10.30 p.m.
• **Theatre:** —
Habimah, "I Like Mike," 8. Cameri, "Tak Al Tak," Mograbi, 8. "He Walked Through the Fields," New Cameri Hall, 8.

HAIFA

• **Exhibitions:** —
1) Works by Picasso; posters, prints, ceramics and reproductions. 2) Paintings by Abshalom Okshi. Museum, Town Hall, 10-1, 4-7.

HADERA

• **Theatre:** —
Ohel. "Morning Star," 8.

ON THE AIR

FIRST PROGRAMME
322, 249, 33.3 & 43.9 M.

News: Hebrew: 6.35, 7.00 a.m. 1.30, 5.00, 7.00, 9.00 & 11.00 p.m. **Arabic Programme** (including News): 5.00 a.m. 2.15 and 6.00 p.m.

6.30 a.m. Service. 6.37 Exercises. 6.47 Musical Clock (R). 7.15 Melodies (R). 9.00 Close Down.

12.00 Music at Noon, with the "Four Aces" (Vocalists). 12.30 Music for Two Pianos. 12.50 Housewife's Choice. 1.50 "From Dan to Eilat." 3.30 Close Down.

4.00 Light Classical Request Programme. 4.40 Works by Berlioz, Hahn, Debussy, Duparc & Poulenc, presented by Gladys Swarthout (Mezzo-Soprano) with the R.C.A. Victor Orchestra, conducted by Pierre Monteux. 5.02 Light Music. 5.10 Torah Lesson, by Dr. N. Leibowitz. 5.30 Youth Corner. 7.15 We Present Tonight. 7.18 Ron-Ami. 7.35 Legal Advice Programme, by Daniel Eilon. 7.45 "Looking Down from the Carmel." 8.10 Noah's Ark. 8.45 Talk by Dr. Y. Shapira on Kol Yisrael's Programmes. 8.55 Bible Reading — Yehoshua Chapter 6. 9.00 News. 9.15 Concert by the "Kol Yisrael" Orchestra, Conductor: Georg Singer, Soloist: Lorand Fenives (Violin). Mozart: 1) Overture "Don Giovanni"; 2) Violin Concerto No. 1 in B-flat-major, K. 207; Avidom: Music for Strings; Haydn: Symphony No. 93 in D. 10.50 Short Story. 11.10 The Week in U.N. 11.26 Close Down.

SECOND PROGRAMME
467, 460, 255, 43.9 & 33.3 M.

English News: 1.45, 10.00 p.m. **French News:** 2.00 p.m. **IMMIGRANTS' HOUR:** 5.30 Programme for Yemenites. 5.45 Hebrew Lesson for beginners. 6.00 Light Music. 7.00 Yiddish. 7.30 Ladino. 8.00 News in Easy Hebrew. 8.15 Mograbit. 8.30 Hungarian. 8.45 Rumanian. 9.00 Interval. 9.30 French. 10.30 Close Down.

KOL SION LAGOLA (23.3 M.): (Programme to South Africa): 7.45 News. 7.55 "From the Federation." 8.00 "The Future of Western Aliyah." Programme to U.K.: 12.15 News. 12.25 "Man About Town" with Keith Beecher. 12.30 Israel Symphonic Music. 12.45 Easy Hebrew Conversation, by Judah Shuval.

ARMY PROGRAMME (44.6, 216, 235 & 290 M.): 6.30 Opening. 6.32 Songs. 7.00 News. 7.15 Intermezzo. 7.30 "Call Up" — by Galei Z.H.L. Reporters. 8.00 Weekly Talk on Military Affairs. 8.10 Noah's Ark. 8.45 Encore. 9.00 News. 9.15 "Library for the Soldiers." 9.35 Evening Tunes. 10.00 Close Down.

B.B.C. HEBREW BROADCASTS (16.79, 19.42, 16.90 and 21.15 M.): 7.30-8.00 p.m. News. News Talk. Jewish Commentary: The Edinburgh Festival.

אתא חברה לטכסטיל בע"מ
آتا شركة تكستيل محدودة الضمان
ATA TEXTILE COMP. LTD.

DIRECTORS: J. M. GERI (Chairman) HANS MOLLER (Managing Director)
J. ABRAMOV, E. A. KIRSCHNER ERNST ZAHN JULIUS LEHMANN PAUL SINGER
Secretary: J. ABRAMOV Auditors: HATTIS, GRUENEBAUM & Co. (Public Accountants — Auditors)

Directors' Report for the Year 1955

(This report is based, unless otherwise stated, on consolidated figures of "Ata" and its subsidiaries "Kurdaneh," "Teta" and "Ma'aragoth").

At the time of the writing of this report, the struggle with the Histadrut on our rejection of their demands for a general increase in wages and improvements in social conditions and on our demand for the dismissal of redundant and inefficient people is still going on. A special fact-finding and mediation commission was set up by the Minister of Labour which, after hearing both sides and receiving very full information regarding our Company, is about to render its report.

Whatever the outcome of this struggle, its importance demands that we place on record before our shareholders our attitude.

The development of our economy has reached a stage where a general increase of wages, in whatever form, has ceased to be realistic. There is nothing left for distribution or redistribution. Any such increase is therefore bound to lead to further inflation and nothing else and certainly it cannot achieve an addition to the real income of the wage earner.

The necessity of fighting inflation is so widely accepted that only blindness in respect of the inevitable inflationary influence of an increase of wages—or the reluctance, for other reasons, to acknowledge it—can explain why such demands were made. The same applies to their acceptance.

In any case, wages and other working conditions in our undertaking are such that even after the changes which were made or demanded elsewhere, we still remain ahead of most other undertakings.

The demands cannot be met for another reason—our inability to meet them. The obvious way to cover the cost of such an increase in wages would be to increase prices. This we cannot do as the market conditions in Israel do not permit it and so far as exports are concerned, the foreign consumer will not agree to pay more because our wages have gone up. On the contrary, our aim must be to reduce prices so as to safeguard and expand our local market.

The case against an increase in wages is made overwhelming by the impossibility, under present conditions, of finding the extra working capital that a rise in the costs of production would call for.

Even if there were no credit restrictions, we have reached the bearable limit of the use of loaned money for this purpose. As our accounts show, the amount spent on interest was, in 1955, almost 50% of the profit before tax. More than 70% of it, or 35% of the profit, was paid on short term loans and bank overdrafts.

No other way of financing is open to us. In previous years the main part of the funds required by our expanding business was raised by the issue of shares and debentures. This method of raising capital has been made impossible by the issue of Dollar or Index-linked securities by the Government, national institutions and Histadrut. While we could agree to a linking clause in long-term Government loans taken for investment purposes, we must not even contemplate raising money in this way for working capital.

As regards the dismissal of redundant and inefficient workers, we cannot state our case better than by quoting the words of the Prime Minister at the opening of the Sixth Mapai Convention: "A worker should be employed and paid only where his work is required and efficient. A worker who is fit to work dishonours work and himself if he accepts pay at a place where his work is not required or is not efficient. Where redundant or inefficient workers must be dismissed, the State has to care for their resettlement in other work."

Production and Labour

Production:

Year	Spinning kilos	Spinning Average count	Weaving incl. outdoor weavers running metres
1953	1,658,292	20.13	7,055,706
1954	1,638,372	22.18	7,825,480
1955	1,818,509	21.43	8,502,643

Efficiency

M.H.P. (Man hours per unit of product):

	1953	1954	1955
Spinning incl. conewinding and spooling (hrs/100 kgs)	48.54	51.81	47.52
average count of yarn	20.13	22.18	21.43
Weaving (hrs/100 standard square metres)			
a. incl. warping, sizing, weftwinding	8.38	7.18	6.11
b. Weaving shed only	5.64	4.68	3.76

The above figures show an improvement in spinning and weaving of roughly 10% and 15% respectively. The lagging of spinning behind weaving is somewhat typical of our difficulties. In spinning more auxiliary work is involved where—partly—people are employed who, because of their inefficiency are still less suitable for more qualified jobs. Our claim for the dismissal of inefficient workers is, as already indicated, still unsettled and a point of controversy. In such instances therefore, progress, if any, is necessarily slow.

Still, the practical experience gained during the last year confirms our assumption, that, by the application of the new methods of work organization, rate setting and premium calculation a saving of direct labour of no less than 25% as against 1954 can be achieved.

The overall saving in 1955, although amounting to a few percents was substantially smaller than the increase in the cost per working hour.

Manpower:

Total Number of Employees (including Kurdaneh)

End	Men	Women	Total
1953	1,126	360	1,486
1954	1,187	367	1,554
1955	1,233	351	1,584

In addition, an estimated average of 300 workers were engaged in outdoor production.

Working Hours (excluding Administrative Staff):

Year	Total hours paid IL	Hours worked IL	Leave, Holidays, Idle Time IL
1953	3,042,000	2,736,000—90%	306,000—10%
1954	3,248,000	2,890,000—89%	358,000—11%
1955	3,320,000	2,939,000—88.5%	381,000—11.5%

Average Cost per Working Hour

(excluding Management, Administration and Sales Organization.)

	December 1953 IL	December 1954 IL	December 1955 IL
	1,377 — 100%	1,613 — 117%	1,787 — 130%
C.o.L. index	208 — 100%	228 — 110%	236 — 113%

The increase in the average cost per working hour from IL1.613 in December 1954 to IL1.787 in December 1955 is an increase of 10.8% as compared with a rise of the C.o.L. index of 3.5% only. The increase beyond the overall increase due to the higher C.o.L. allowance comes mainly from premiums.

The yearly average cost per hour worked was IL1.741 as against IL1.787 at the end of the year. This former figure contains 969 prutot of Basic Wages, Seniority, Trade and C.o.L. Allowances. Taking this as a basis of 100%, the Social Contributions, Amenities and Services and Incentive Premiums were as follows:

	IL	%	
Basic Wages, Seniority— Trade— and C.o.L. Allowance	—.969	100	100%
Social Contributions and Amenities:			
Family Allowance	—.042	4.3	
Compensation Fund	—.033	3.4	
Provident Fund	—.034	3.5	
Sick Fund	—.027	2.8	
Equalisation Fund	—.010	1.0	
Sick day's Fund	—.019	2.0	
Recreation Fund	—.024	2.5	
National & Civil Wrongs Insurance	—.035	3.6	
Accident Insurance	—.014	1.4	
Employees Transportation	—.031	3.2	
Annual Leave and Holidays	—.110	11.4	44.1%
Services:			
Canteen, Med. Service, Contributions to Workers institutions, Loss on Sale of fabrics and garments at nominal prices	—.113	11.7	
Sundries	—.051	5.3	17%
Incentive Premiums	—.180	18.6	18.6%
Total cost per hour worked	1.741		179.7%

If the Incentive Premiums are included in the wages, the Social Contributions, Amenities and Services constitute 51.8% as against 61.1% of the wages without Premiums.

Net Sales

	1954 IL	1955 IL
Yarn	391,000	545,033
Fabrics	4,632,000	6,198,991
Garments	6,978,000	8,476,487
Sundries	717,000	1,090,979
	12,718,000	16,311,490

Export:

Net proceeds f.o.b. Haifa after deduction of disagio, discount and agents' commission:

	1954 $	1955 $
Finland	106,630	45,678
Norway	24,846	48,756
Turkey	166,008	448,195
Iceland	5,922	6,091
Sweden	78,317	125,305
Australia	222,477	189,055
Switzerland	66,460	49,822
Cyprus	19,443	1,100
Holland	14,831	20,386
South Africa	30,429	16,408
Sundries	9,964	9,346
	747,327	959,337
Local Sales against Foreign curr.	355,410	502,299
	1,102,737	1,461,636
Of these:		
Fabrics	920,807	1,274,632
Garments	181,930	187,004
	1,102,737	1,461,636

Capital Expenditure:

	IL
Land	1,120
Dwellings and Stores	27,920
Factory Buildings	320,040
Weaving	160,379
Dyeing	70,075
Tailoring	4,410
Sundries	239,294
	823,238

Capitalization of Appreciation Reserve

Two further partial capitalizations of the Appreciation Reserve were effected in 1955 by both ATA and Kurdaneh.

ATA issued IL517,059 Deferred Shares and Kurdaneh IL218,847 Ordinary Shares C, of which IL121,806 went to ATA and Maaragoth and IL97,041 to other shareholders.

Subsidiaries

On December 31, 1955, ATA and its wholly owned subsidiary "Maaragoth" owned 760,948 shares in Kurdaneh — 145,793 shares more than on December 31, 1954.

Commission Agents

Deposits increased from IL388,802 to IL415,679. All amounts beyond the balances shown in the Balance Sheet were invested in our shares and debentures.

Finances

Additional funds were required principally for:

	IL
Investment in Fixed Assets	823,000
Increase in Stocks	154,000
Increase in credits to customers and others	737,000
	IL1,714,000

This money was covered mainly by long-term loans of IL589,000 from the Government, by our depreciation and by the sale of debentures to the Compensation and Pension Fund of the Group with the consent of the Authorities.

Taxation

Of the expenditure on various taxes and rates incl. Sales' tax of IL1,482,461 in 1954, IL422,265 applied to balances brought forward from 1953 and IL1,060,196 to 1954 as against IL1,204,286 for 1955.

The details of the relevant figures which do not include Income Tax deducted from salaries and wages are as follows:

	1954		1955	
Income Tax Provision	342,500		461,600	
less set-offs	25,553	316,947	26,699	434,901
Sales' Tax		858,135		1,026,330
Kofer Milveh Chovah		104,998		68,364
Sundry Taxes, Rates and Fees		97,063		109,732
		1,377,143		1,639,327

Allocation of Ata Profits

It is proposed to deal with the profit of IL550,252 in the following manner:

		IL
Tax Provision	315,000	
less set-offs	26,699	288,301
6% cash dividend on Preference Shares, net		493
Transfer to General Reserve for Capitalization		245,442
Profit carried forward		16,016
		550,252

The Directors propose that the sum of IL245,442 be capitalised and distributed as fully paid Ordinary shares "C" at the rate of 8% in respect of Ordinary Shares, 6% in respect of Deferred Shares and 8% in respect of Preference Shares.

Allocation of Kurdaneh Profit

It is proposed to deal with the profit of IL[illegible] in the following manner:

	IL
Tax Provision	[illegible]
Transfer to General Reserve for Capitalization	[illegible]
Profit carried forward	[illegible]
	[illegible]

The Directors propose that the sum of IL[illegible] be capitalised and distributed as fully paid Ordinary Shares "C" at the rate of 8% of the shares issued.

Hans Moller, Managing Director
J. Abramov, Secretary

September 26, 1956.

Ata Textile Company Limited and its Subsidiaries

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1955

(in full IL)

1954				1955
		CURRENT ASSETS		
	6,557,388	Stocks	6,711,238	
	770,829	Customers & sundry Debtors	1,507,339	
7,386,732	58,521	Cash in hand and at banks	34,778	8,253,355
		CURRENT LIABILITIES AND PROVISIONS		
	2,443,245	Banks	2,428,009	
	961,678	Suppliers and sundry Creditors	1,068,196	
4,017,703	612,780	Rates, Taxes & accrued expenses	772,066	4,268,271
	316,947	Income Tax provision less set-offs	434,901	
567,414	250,467	Balance of Assessing Officer's Acct.	113,851	321,050
4,585,117		Total Current Liabilities		4,589,321
2,801,615		Net working capital		3,664,034
4,927,722		Fixed Assets		5,232,641
7,729,337				8,896,675
		Long term loans	588,957	
824,103		Debentures	1,367,000	1,955,957
6,905,234		Net Worth of the Group		6,940,718
		CONSOLIDATED CAPITAL INCLUDING RESERVES AND PROFIT OF THE YEAR		
	5,850,093	Ata's share	5,925,707	
	1,055,141	Minority shareholders' interest in subsidiaries	1,015,011	
6,905,234				6,940,718

Consolidated Profit and Loss Account for the Year 1955

(in full IL)

1954				1955
13,965,255		Sales value of production		16,408,186
	5,811,967	Wages and salaries	6,142,064	
	941,145	Outdoor production	1,177,894	
	3,129,965	Cotton consumption	3,095,585	
	1,832,298	Sundry materials consumption	2,090,703	
	461,218	Depreciation	513,226	
	1,060,196	Purchase—and sundry taxes	1,204,286	
	408,676	Administration, sales and general expenses	473,190	
13,385,135	275,970	Interest incl. debent. interest	382,112	15,659,569
580,120				748,619
15,388		Sundry Income		1,125
595,508		Profit before tax		749,704
33,457		Tax on account of previous year		380
	342,500	Income Tax provision	461,600	
316,947	25,553	less set-offs	26,699	434,901
245,104		Consolidated net profit		314,303

H. MOLLER, Director
J. ABRAMOV, Director and Secretary

Today's Postbag

THE WEATHER

	A	B	C	D
Mt. Cana'an	12	20	30	28
Tiberias	17	28	29	37
Haifa Port	78	26	28	31
Natanya	65	21	32	31
Tel Aviv Port	73	19	28	28
Tel Aviv North	58	16	31	30
Lydda Airport	37	11	28	32
Jerusalem	15	21	22	29
Beersheba	18	16	35	34
Eilat	15	19	28	37

A) Humidity at 8 p.m. B) Minimum temp. C) Maximum yesterday. D) Maximum temp. expected today.

ARRIVALS

Dr. Jack Varga, of Los Angeles, with his family, for a one-year stay as a Chaim Weizmann Fellow in the Department of Applied Mathematics.

Dr. M. C. Shelesnyak, of the Weizmann Institute Experimental Biology Department, after participating in the Laurentian Hormone Conference at Mount Tremblant, Canada. Dr. William Taub, of the Institute's Daniel Wolf Laboratory, after visiting Sweden, Denmark and Switzerland.

Mr. David Wahl, of Cleveland, Ohio, with his family, to take up the post of Chief Librarian at the Weizmann Institute.

Mr. Sigmund Dressler, Honorary President of the Lodzer Young Men's Benevolent Society in New York, and Mrs. Dressler, for a 10-day visit (by El Al).

DEPARTURE

Mr. Eliahu Dobkin, Chairman of the Board of the Keren Hayesod, to attend the United Israel Appeal conference in Britain, and to Western Canada to launch the Appeal campaign in a number of cities.

ABOUT 100 immigrants from Turkey arrived in Haifa yesterday in the s.s. Marmara. Most of them have joined relatives.

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IRRIGATION PIPES worth IL378 were stolen from Kibbutz Kisufim, near the Gaza Strip, on Saturday night. Police followed the tracks of the thieves to the Gaza Strip border.

• • •

AN ANONYMOUS telephone call threatening to burn her apartment if "she turned on her radio on Saturdays" was received on Sunday by Mrs. Rahel Abramov, of Rehov Ben Maimon, Jerusalem. The caller identified himself as "one of the Orthodox."

• • •

THE PILLION rider of a motor scooter, Mordecai Fiskel, was admitted to Hadassah Hospital with head and face injuries after the vehicle on which he was travelling crashed into a fence at the foot of Rehov Mamilla in Jerusalem. The driver was uninjured.

• • •

A WAVE of thefts and housebreaking has hit Jerusalem in the past two days, with more than 15 separate offences reported to the police. Cars, liquor, jewellery, watches, cash and a bicycle have been reported stolen.

• • •

A MEETING organized by the World Hebrew Union in Tel Aviv recently set up an Israel Council of the organization and elected a 23-member executive with Dr. Baruch Ben-Yehuda at its head.

Israel Lifshitz Dead at 64

Jerusalem Post Bureau

HAIFA, Monday. — The Secretary of the Hadar Hacarmel Committee, Israel Lifshitz, died suddenly this evening during a Board meeting. He was 64.

Lifshitz had held the post for 30 years. He was one of the oldest Zionist officials from Russia, who came to this country after having been secretary of the Zionist Organization's immigration office in Istanbul in 1921.

He is survived by his wife. The funeral will take place tomorrow at 3 p.m. from Rambam Hospital here. The offices of the Committee will be closed for the day.

MAN KILLED BY TRAIN IDENTIFIED

Jerusalem Post Bureau

HAIFA, Monday. — The man who was run over and killed by a train near Elijah's Cave yesterday was today identified as Zvi Zelinsky, 43, of Haifa. He was sitting on the railway lines and did not heed a warning signal from the engine driver.

Office Efficiency Exhibition Opens in Haifa's Beit Hapakid

Jerusalem Post Reporter

HAIFA, Monday. — An Office Efficiency Exhibition was opened last night at the Beit Hapakid by Mr. David Moushine, Director of the Productivity Institute. It will be open from 2 p.m. to 10 p.m. until Thursday night and will then move to Tel Aviv and Jerusalem. About 30 firms are exhibiting and films and lectures on office efficiency are scheduled.

The exhibition is meant to demonstrate office mechanization on the one hand and efficiency through simplified methods and use of suitable furniture and equipment on the other. Through a series of diagrams, the simplification section shows how office routine can be made easier by the introduction of some remarkably simple changes. (See "Challenge to Management," on P. 4.)

The Government now uses 1,600 different sized forms. This causes many unnecessary difficulties, already avoided by the management of the Defence Tax, which has streamlined all its paper work into a handful of different forms, saving time and avoiding headaches.

In the mechanization section there is an impressive display of pleasantly designed modern office machinery, including the latest typewriters (some electric), duplicators, dictaphones, calculating machines, an addressograph, photostating apparatus and stenotype machines. They are all imported from the U.S., Sweden and Switzerland, and their cost probably puts them beyond the reach of most Israel offices, which are in fact too small to stand in need of such elaborate machinery.

Improved Files

Among the innovations on show are improved box files and cabinets for more comfortable handling; an improved linear filing system; and a Made-in-Israel inter-office communication system. The Army is displaying a sturdy rotary filing system that its own experts devised.

Just in front of the exit, one firm displays a "selector" filing system that catches the eye of most visitors. Using simple materials and an ingenious method, a filing cabinet, specially printed cards for every purpose, a pair of perforating tongs and a "selector," nothing more than a long pin on a handle, which does the work of expensive, complicated perforation filing machines. It works very simply, effectively and cheaply the company claims.

The Institute agrees that this was an anti-climax to the foreign machinery, but thought that actually such a system, cheap but workable, was the kind of thing Israel's small-scale administration needed.

Mr. Moushine emphasized that through higher efficiency in its administration, the country's economy could save IL50m. a year, (10 per cent of the IL500m spent on services). Office efficiency could reduce the number of administrative workers to a "healthy proportion" and raise the standard of their work.

CONTACT WITH JORDAN AT BEIT SAFAFA

Two residents of the Arab village of Beit Safafa, on the outskirts of Jerusalem, were detained yesterday on suspicion of maintaining contact with Jordanians. They had been observed conversing with persons across the barbed wire fence which divides the village into Israel and Jordan sectors.

The police are meanwhile making enquiries about a person who crossed into Jordan near the village of Battir, in the Jerusalem Corridor, on Sunday evening. He was seen to cross by the driver of the Jerusalem-Tel Aviv train. (Itim)

HAIFA P.O. WORKERS' CLAIMS DISCUSSED

TEL AVIV, Monday. — Following the ending of the Haifa postal workers' strike, their claims for travelling expenses were discussed by the Histadrut Trades Union Department today. No decision was reached, and another meeting is to be held in a few days. Representatives of the Haifa Labour Council, the Haifa Post Office Works Committee and the Civil Servants Union took part in the meeting.

(Labour Relations — Page 4)

Machines Calculate Tel Aviv Phone Bills

Mechanically calculated telephone accounts were introduced into the Tel Aviv area yesterday, according to a Ministry of Posts announcement. The system will be extended to include subscribers throughout the country by the first of the year, the communique added.

To reduce expenses, telephone bills will in future be sent to subscribers by regular mail, and not by registered mail as heretofore.

EGGS CHEAPER

TEL AVIV, Monday. — The price of eggs has dropped by at least 10 pruta since the end of rationing last week. "Extra" quality eggs can be had for 110 or 120 pruta, instead of 130, and Grade "A" now cost 90 pruta instead of 105.

Owing to the hot weather, egg dealers are anxious to clear their stocks. The season is expected to last for about another month.

A spokesman for the Merchants Associations said today that another reason for the lower prices is that, after 15 years of rationing, shopkeepers have to hold their customers by competitive prices instead of the ration book.

Shell Signs IL9m. Fuel Contract with El Al

HAIFA, Monday. — The Shell Company has signed a three-year contract for the supply of more than IL9m worth of aviation fuel and lubricants to El Al, the Shell Co. spokesman announced today.

The fuel will be supplied by the Shell and B.P. companies at airports all over the world, wherever they operate fuelling services. Turbo-jet kerosene will be supplied as soon as El Al needs this type of fuel.

Shell has now completed its technical preparations for the modernization of its fuelling facilities at Lydda Airport, the spokesman stated. The new system will make use of an underground pipeline and a series of pumps to fuel planes directly from the storage tanks.

ETROG EXPORTS TO U.S. UP OVER LAST YEAR

Exports of citrons to the U.S. rose this year to 30,750, as compared with 28,000 last year, it was learned yesterday from Ministry of Agriculture sources. The total export was 35,750.

The Government earns $3 per citron exported to the US., although the exporter is said to receive $5 for each one.

SUPREME COURT TREBLES BUTCHER'S FINE

A butcher who was fined IL1,000 for selling the entire meat ration of his village on the black market during one month in 1954 had the fine trebled yesterday by the Supreme Court sitting as the Court of Criminal Appeals.

The butcher, Hassan Mu'adi, 45, of Araba village in Galilee, had been found guilty in the Haifa District Court of diverting 2,500 kilograms of meat to the black market and forging documents to cover the theft.

The State Attorney's office, in appealing the sentence, claimed that not only did the punishment not fit the crime, but that it left the butcher with a profit.

The Supreme Court accepted this argument and raised the fine to IL3,000, while maintaining the six-month suspended sentence.

The Court was composed of Justices Silberg, Sussman and Witkon. (Itim)

Electricity Rate Increases Referred Back to Gov't

Jerusalem Post Staff

The Knesset Finance Committee, meeting in Tel Aviv yesterday, recommended by a vote of three to two that the proposed rise in electricity rates for home consumption be referred back to the Government for further study.

On Sunday, the Ministerial Economic Committee recommended that electricity rates for office and commercial consumption be raised by 14 per cent and for homes by 12 per cent. Power supplied to industry and agriculture would cost the same as it does now.

The proposed rise in rates for home consumption aims at cutting down domestic use of electricity. Thus, on the first 40 kwh., the user would pay only 45 pruta per hour, instead of 43 as at present, while on every additional hour, 61 pruta would be charged instead of 56. A higher flat rate per room was also envisaged.

The Committee also approved the Development Authority's 1956/57 budget, and discussed the foreign currency budget, with Mr. Y. Arnon, the Director General of the Ministry of Finance participating.

ISRAEL TACKLES SLUMS 'BETTER THAN U.S.'

LYDDA AIRPORT, Monday. — About 30 million Americans live in slums, "and the problem is not being solved there as well as you are doing here," Mrs. Anna S. Miller, a member of the delegation of the U.S. National Housing Conference, said today prior to leaving by El Al.

The housing expert said that she and the other members of the delegation had toured several European countries, and had come to the conclusion that without doubt, Israel was building more housing per head than any of those countries. She last visited Israel seven years ago.

ANNUAL LEAVE LAW NOW IN ARABIC

An Arabic translation of the Annual Leave Law (1951) and the regulations issued under its provisions has been published by the Histadrut's Arab Department. The pamphlet is in an attractive blue format and has 83 pages. The introduction was written by Mr. Aharon Becker, head of the Histadrut Trades Union Department.

Nargilah News

Now that the Arab campaign to build up the Husan battle as a great victory for them has petered out, the Arabs are starting to play on a new theme: that the Israelis forced a group of Israel Beduin to march in front of the army at pistol point during the attack on the el Rahwa police station recently. This "news" was reported yesterday under a banner headline in "El Jihad," the Old City daily.

The same paper also "reported" that the Israel army forced a group of young Arabs to be the vanguard of the attack at Husan. When the boys tried to escape, the soldiers fired on them and killed 20. Some of them came from Jatt village in the "Little Triangle," the paper said.

Greengrocers Must Display Price Lists

The Ministry of Commerce yesterday issued a reminder to the public that greengrocers are legally obliged to display a price list of all goods they sell.

Under the Anti-Profiteering Regulations, the prices of all goods offered for sale, whether controlled or not, must be prominently displayed "in lettering and figures that may be read with ease by any customer." The Ministry promised that its inspectors will carry out regular checks.

Term Starts At Weizmann School

Jerusalem Post Reporter

BEERSHEBA, Monday. — The Weizmann Agricultural School near here opened its winter term today with a record enrolment of 250 students, 45 more than last year. The school first opened its doors just three years ago to only 18 students.

Most of the students are children of immigrant settlers in Negev villages. A good number of them live in, while the remainder come to school daily in a bus furnished by the U.S. Operations Mission. The staff of 55 includes 15 instructors.

The school budget has been increased this year from IL100,000 to IL200,000, the funds coming from the Jewish Agency Settlement Department and the Ministries of Agriculture and Education.

TIBERIAS PROMISED BETTER BUS SERVICE

TIBERIAS, Monday. — The Egged Bus Co-operative has promised to send sufficient buses tomorrow to cope with the morning rush hour of workers leaving from the Amidar Shikun for their jobs in the Jordan Valley.

This morning, the quarter's inhabitants put up a road block and stopped traffic through the neighbourhood for several hours in protest against the poor bus service. The police arrested four men, and traffic was resumed under police guard.

A similar incident occurred several months ago.

Zim Wants Better Dollar Rate

Jerusalem Post Staff

JAFFA PORT, Monday. — The Zim shipping company should get the same exchange rate as exporters for dollars it earned, Mr. Yosef Barpal, a member of the Board of Directors of Zim, contended last night. He was answering questions by newspaper editors who had been invited to dinner aboard the s.s. Zion.

The Ministry of Finance gave Zim and Shoham the IL1.800 rate, while exporters usually receive about IL2.500 per dollar earned, Mr. Barpal said.

The editors were greeted by the ship's captain, Mr. Yosef Golansky. Mr. Zvi Herman, formerly a member of the Jewish Agency Executive and who recently joined the Board of Directors of Zim, said that the company expects to end the current year with a profit. If Zim's income is below that of other shipping companies of its size, the reason was that the Government, instead of giving national lines a subsidy, requested the company to serve exporters at extremely advantageous terms.

Among the dinner guests were Mr. S. Eisenberg, Secretary-General of the Jewish Agency; Mr. M. Tsour, Controller of Foreign Trade; and Mr. E. Dekel, Manager of Jaffa Port.

The added value of Zim operations in 1955 was IL8m., while in the first six months of the current year it was IL7m.

The Zion has been on the trans-Atlantic run for half a year and is now sailing for Hamburg for the free-guarantee-repair work which the shipyards provide after six months' service.

Zim's new passenger liner, the s.s. Theodor Herzl, the third built out of Reparations funds in Germany, was due to be launched in Hamburg today. Mrs. Aliza Shinnar, wife of the head of the Reparations mission in Germany, was invited to act as patroness.

The ship was built at the Deutsche Werft to comply with the highest standard set for passenger ships by the Lloyds Shipping Register. She has 10,000 gross tons and can accommodate [illegible] passengers.

The new vessel will make the Haifa-Naples-Marseilles run in three days.

A maximum area has been allocated to deck space, as the ship's main runs will be in the Mediterranean and in subtropical waters. The lounges and saloons can hold 70 per cent of the passengers at any one time. All of the public rooms, as well as the dining room and some of the cabins, are air-conditioned. The ship has a synagogue, swimming pool, cinema, children's rooms, library, shops and picture gallery.

The vessel has a crew of 166 men.

She can also carry a small amount of freight, such as fruit and vegetables for export.

She is equipped with stabilizers.

The Herzl will enter service in February, 1957.

Shoham is considering ordering four new ships apart from those being built in German shipyards on account of Reparations funds it was learned in Haifa. One ship, probably a coastal craft, will be ordered in Yugoslavia, another vessel in Spain, and two in England.

Amateurs Try Out for T.V. Show

Jerusalem Post Reporter

TEL AVIV, Monday. — Nearly 150 of the 500 persons who applied for auditions for the "Original Amateur Hour," an American television programme, were heard by the selector, Mr. Lou Goldberg, of Tyro Productions, New York, at Z.O.A. House today. Six of the eager competitors will get another hearing. All the applicants who sent letters, besides the large number who appeared for the auditions today, will be given a hearing which will end late on Wednesday night.

Mr. Goldberg intends to choose about 30 performers for the "hour." The Dutch airline, K.L.M., will fly the winners to the U.S. free of charge for the programme on October 28.

From early morning, there was a rare bustle and excitement at Z.O.A. House, with television aspirants giving themselves last-minute rehearsals in corners or frantically tuning their instruments. Later, they nervously displayed their talents before the American expert, who has examined some 100,000 performers in his 20 years in the profession.

One could hear and see "Al Jolsons," "Louis Armstrongs," a "raid over Tokyo," Shakespeareans reciting in Hebrew and one lady who brought along her collection of paintings after having first written to ask whether the selector would visit her studio. There were conjurers, cantors, musical saw virtuosi, pianists and mimes.

About half the aspirants were singers, and ages ranged from six to 60. Some Mr. Goldberg heard for only a few seconds, whereas others performed for several minutes. Among the applicants still to be heard is one who claims to be able to play the Indian Love Song on a bottle cork.

A Druse *debka* dance troupe from Daliat el Carmel, and several Arabs will also appear.

The preparatory work and arrangements for the auditions were made by Mr. and Mrs. Jarcho of New York and Tel-Ariely Ltd., of Tel Aviv.

'Brutal' Murder in Broad Daylight in Kfar Saba Market

Jerusalem Post Reporter

KFAR SABA, Monday. — A vegetable vendor was stabbed to death today as he sat eating his lunch on the terrace of the Suk cafe. Two young men surrendered to the police a few hours later, reportedly admitting having killed Abudi Rafaeli, 32, who had a stall in the Kaplan Quarter market.

The murder apparently arose from a feud between the Rafaeli and Arbeli clans who form the majority of the Kaplan Quarter population. One of the detainees is Ezra Arbeli, 24, and the second, Karim Dabora, 25, is a friend who came a short time ago to stay with him here.

Details of the crime were difficult to reconstruct because none of the local inhabitants gave assistance to the police. It was a "brutal crime," according to an investigating officer. The blood poured over the terrace and ran into the market place.

The feud between the Arbelis and Rafaelis is of long standing. On Yom Kippur eve, a quarrel between the two clans in which daggers were used, resulted in five wounded and the victims continued to stab at their rivals even in the first aid room. On Succot eve, local police chiefs brought the leaders of the clans together in the synagogue, where they solemnly promised to make peace.

Murder Victim's Son Identifies Slayer

RAMLE, Monday. — "Zvi Kadouri, the man sitting over there, stabbed and killed my father, and then stabbed me three times with the same knife," a young Arab said in the Magistrate's Court today at the preliminary hearing of charges against Kadouri, 18, and three other local men for being involved in the killing of an Arab cafe owner some four weeks ago.

The victim's son told the court that while he was in hospital recovering from his wounds, two of the accused had threatened to kill him and other members of his family once he was discharged.

A police witness said in evidence that after his arrest, Kadouri bitterly attacked the Government for "allowing Arabs to live here freely. Arabs killed my parents."

M.A.C.

(Continued from Page One)

quest, later in the evening," Gen. Burns explained. He did not explain whether this evidence was taken into consideration by Col. Moe before deciding that only one weapon had in fact been used.

The second paragraph of the Israel resolution, deploring the loss of life and the casualties, was passed by the votes of Jordan and the Chairman. The Chairman abstained and Jordan voted against the third paragraph which "deplores the attempt by Jordan to mislead the Mixed Armistice Commission, the United Nations and the public by alleging that the attack was committed by an insane soldier."

Chairman Moe voted for the fourth paragraph which condemned Jordan for a "most serious breach of the General Armistice Agreement," but the two votes of the Jordan delegation defeated it.

The Chairman also approved the last paragraph of the Israel resolution which "notes with grave concern that this is another in a chain of Jordan attacks against Israel and that despite all the Mixed Armistice Commission's exhortations, Jordan has failed so far to put an end to such attacks which undermine peace in the area."

But this paragraph also failed, since the Israel delegation was not present to vote and Jordan's two delegates voted against it.

(The semi-official Middle East News Agency reported from Cairo on Sunday that Jordan would ask Gen. Burns to recall Col. Moe because of his alleged partiality for Israel.)

Israel was represented at the meeting by Rav-Seren R. Hillel and Segen S. Levinsohn; Jordan by Dr. H. Nusseibeh and Capt. Z. Nasif.

More Citrus to Be Shipped in Cartons

Jerusalem Post Reporter

The drive to change the foreign citrus consumer's taste in citrus packaging will be increased this year and 1.5m. cartons of citrus will be exported, it was learnt yesterday from Ministry of Agriculture sources.

Another experiment in packing will be the export of 40,000 citrus in plywood boxes, first appearing in Florida.

The Citrus Marketing Board prefers to increase its use of corrugated paper cartons gradually, since it is not yet certain that the net income from carton-packed citrus is higher.

The Board recently received a report made by a special Committee which it had appointed, headed by Mr. M. Sachs. Although this report acknowledges that local packing expenses are reduced by approximately 7.5 per cent per two cartons (equal to one box), higher shipping and marketing expenses in part off-set these savings.

In England, prices received for medium-size oranges were somewhat higher in the boxes, while large and small Shamuti sold better in corrugated cartons.

Last year, 926,000 cartons were exported, while only 276,000 were exported in the previous year.

40,000 CASES of early Jordan and Jezreel Valley grapefruit are to be shipped next week to Britain in the s.s. Zion, in advance of the export season proper.

Bolshoi Ballet Group Arrives in Britain

LONDON, Monday (Reuter). — The main group of the Bolshoi Theatre Ballet Company of Moscow arrived today for a month's visit.

They came in three Soviet jet airliners which were diverted to Manston airfield in Kent because of bad weather at London Airport. An advance party arrived during the weekend. The opening performance is on Wednesday.

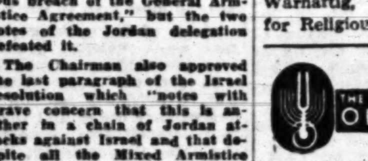
The visit had been in doubt for some days because members of the ballet company said they were unwilling to come to Britain following a shop-lifting charge in London against Mrs. Nina Ponomareva, Russian discus champion. Eventually the company dropped this objection.

DIMONA RITUAL BATH OPENED

The first ritual bath in Dimona Village, on the Beersheba-Sdom road, was opened on Thursday. Present at the ceremony was Dr. Zerah Warhaftig, Deputy Minister for Religious Affairs.

THE ISRAEL PHILHARMONIC ORCHESTRA

A limited number of
Subscription Tickets
are still available
in HAIFA
Opening Concert with Conductor :
Francesco Molinari-Pradelli
Soloist :
Zino Francescatti
(Violin)
Please apply to the I.P.O. Office, 33 Rehov Herzl, Haifa, 9-1, 4-6.



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Customs Exemption Mooted for Students

Jerusalem Post Reporter

Israel students returning from abroad after five years will not have to pay customs and luxury taxes on items they bring with them, if the suggestion made by the Ministry of Finance to the Knesset Finance Committee is accepted. It is likely that the Committee will shortly approve this recommendation, the Ministry spokesman said yesterday. Under a new regulation, only Israelis who had been abroad for at least seven years were exempted from these taxes.

Many complaints were lodged with the Ministry against the new system, as it was claimed that students abroad were deterred from returning by this formidable tax. It was claimed that it was inevitable that students spending a prolonged three to five-year period abroad should purchase certain household goods, since it was considerably cheaper than living in a hostel or hotel.

If a heavy tax is levied on them when they return, and they usually return without any ready cash, they are faced with the difficult problem of whether they can afford to come home.

The new seven-year minimum was decided upon last July. Previously the term had been five years.

Spark Starts Fire In Flax Mill

REHOVOT, Monday. — A fire which broke out in a flax mill in Kiryat Malachi, near Be'er Tuvia, at 8 o'clock this morning, spread quickly and although brought under control after three hours, was still burning this evening.

Machinery has been completely destroyed, and while the total extent of the damage is not known, it is estimated at tens of thousands of pounds.

The blaze started when Yosef Levi, one of the workmen in the plant, struck a steam pipe that he was repairing with his hammer, sending a spark into a pile of flax, which flared up within seconds and spread throughout the factory. Four fire brigades combined forces to fight the fire and with the assistance of local police and workers using tractors, were able only to get the fire under control after three hectic hours of work.

Not Enough Water To Fight Fire

HOLON, Monday. — A water shortage made firemen struggle for more than 12 hours with a blaze which broke out in the Tel Arish paper plant last night. Six fire engines from Tel Aviv and two from the local brigade rushed to the spot, but only three remained during the night because there was not enough water for all of them to fight the fire at the same time. (Itim)

Matinee performance today
Circus *Circus*
U.S.A. Ice Ballet Revue
ZIRATRON RAMAT GAN
3.30 p.m.
and 9.15 p.m.
clowns — trapeze artists — panthers scores of dancers and orchestra.
Matinees on Tuesdays and Thursdays. Evening performances at 6.45 and 9.15. On Tuesdays and Thursdays, evening performance at 9.15 only.

Theatre
DO-RE-MI
THE PAJAMA GAME
MENAHEM GOLAN
KONRAD MAN
IZHAR GRAZIANI
PREMIÈRE
6.10.56
"RAMA"
6 — 9 p.m.

MAKE THEM HAPPY
TELMA
ICE CREAM

Cables in Brief

TREMORS. — Short but "fairly strong" earth tremors were felt in Limassol, southwest Cyprus, on Sunday night. There were no reports of damage.

FUTURE. — Mr David Sarnoff, Chairman of the Radio Corporation of America predicted in a dinner speech in New York on Sunday night that the next 20 years would see an end to war, the collapse of Communism, control of the weather, and materialization of "the housewife's dream of an all automatic home."

Resnick Nets Three In Maccabi 6-0 Win

CHELSEA, Massachusetts, Monday (UP). — Tel Aviv Maccabi, scored their first American soccer triumph here yesterday when they easily defeated the Boston All-stars, 6-0, before a 2,000 crowd at the Memorial Stadium.

Noah Resnick led the scoring, booting in three goals in the second half. Yosef Goldstein (2) and Yitzhak Nanmias were the other goal-getters. Only sensational saves by the Boston goal-keeper, Johnny Green, kept the Maccabi side from running the score even higher.

The Israel team had little difficulty in evading the Boston defence and played most of the game in their opponents' half.

Careful Pedestrians Get Prizes

Jerusalem Post Bureau

TEL AVIV, Monday.—About 1,500 persons chosen by the Council for the Prevention of Road Accidents as "Careful Pedestrians" today saw 123 of their number — men, women and children — receive a variety of prizes for being particularly cautious in crossing the streets.

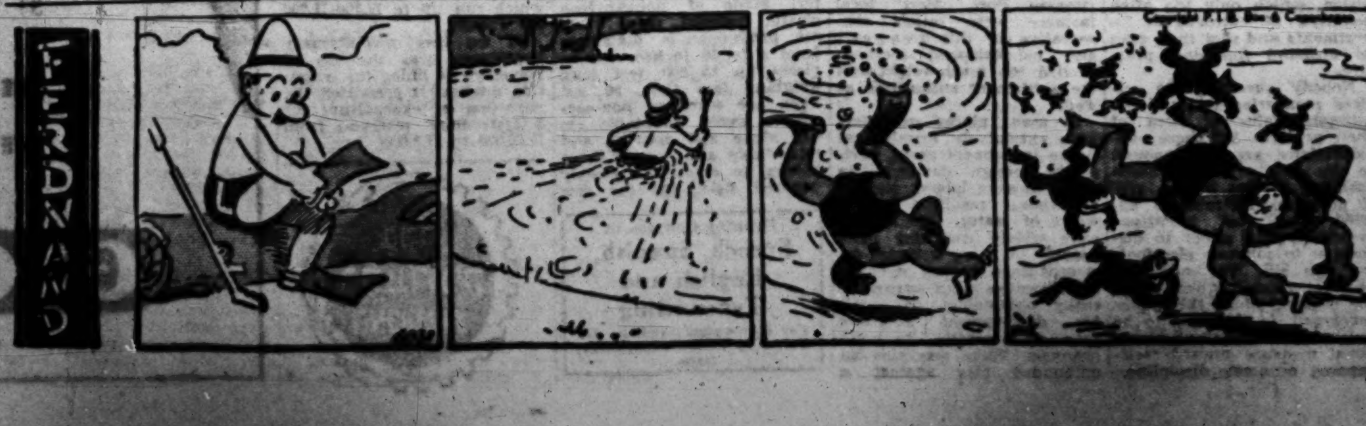
The ceremony, held at Z.O.A. House, was attended by Mayor Haim Levanon, and Judge S. H. Lowenberg, the national chairman of the Council, and other Council leaders.

The 1,500 were chosen between July 15 and August 30 and the prize winners were picked by lottery. The prizes included insurance policies worth up to IL7,500, week-ends at the Sharon, Dan and Ramat Aviv hotels, Dacron trousers, shirts, a free Arkia flight to Haifa and back, chocolates and free tickets on Dan and Egged buses.

Michel and Eve Honey
are happy to announce the birth of a
Son—Daniel
grandson to Dr. and Mrs. Kurt Flach.
London, Sept. 26, 1956.

With deep sorrow we announce the death of
Dr. Lazar Avrouskine
who passed away on Monday, Oct. 1.
The funeral will leave the Hadassah-Ziv Hospital, Jerusalem, today, Oct. 2, at 12.30 p.m.
THE FAMILY

Our most beloved little daughter and sister
NOEMI
left us for ever, at the age of 3½ years.
Rudolf and Selma Zorn (Jacobi) nee Redlich
Myron and Gaby
Ahuza, Haifa.
The funeral will leave from the Rothschild Hospital, today, at 1 p.m.



Economic News from Abroad

Suez Drain on Sterling

● The Washington meeting of the I.M.F. board has also been used for financial talks concerning the Suez crisis developments, in particular for bolstering up Britain's monetary reserves, which have been exposed to heavy pressure by speculative withdrawals of convertible and transferable sterling funds, following the long persistent pull to switch over from sterling to the German mark. The biggest blow was the rapid running down of China's sterling balance, estimated at about £100m. Kuweit and other Arab countries with balances derived from oil payments have also behaved in an unfriendly manner to sterling. Moreover, Britain will have to pay more dollars for her oil supply if part of it is to be obtained from America instead of through the Suez Canal. It therefore expects the U.S. to share the financial strain under some kind of "defence expenditure" formula.

World Sharing U.S. Gold

● One recent result of the strong position of the German mark has been concern about the alleged inadequacy of the U.S. gold reserves. As a matter of fact, gold has been moving out of the U.S. during most of the post-war period and many countries now own substantial gold reserves, even though much of it is still deposited in America. While in 1949 foreigners' short-term claims amounted to 31 per cent of the U.S. gold pile, the share has risen to 66 per cent at present. In the first half of 1955 alone, foreigners gained a further $800m. from their transactions with the U.S., in addition to all the newly mined gold in the western world.

Finland's Linked Deposits

● The recent rise in the cost-of-living index in Finland to 110 (October 1951—100) has given a new fillip to the index-linked deposits that were introduced there a year ago. These deposits are to be made for a period of at least one year and the minimum sum permitted is equal to $130. Banks accepting such deposits were given the right to cover the additional cost by levying a proportionate fee on borrowers, but for the time being decided to cover the cost themselves, as thus far the rise in index has been very small.

Jordan's Grain Export

● In view of this year's good crop, export of cereals from Jordan have been estimated to reach 40,000 tons. In recent years Jordan has been a net importer of cereals, mainly of wheat and flour. In 1954 imports reached 36,000 tons and in 1955 83,000 tons, while exports were 19,000 in 1954 and almost none the next year.

Cape Route Affects Freights

● A 15 per cent freight surcharge has been announced by the Far Eastern Freight Conference and the shipping lines plying between Japan and Europe in view of the increased costs expected to follow the adoption of the Cape route. While the surcharge does not apply to Pakistan, India and Ceylon, discussions are going on for a bigger freight increase to these countries. A general freight rise is considered likely if the Suez Canal will be closed to Western shipping.

Argentina's Oil Project

● Tenders will be invited shortly for construction works under the Argentina petroleum development project which has been estimated to cost about $300m. The project includes 1,250 kms. of oil and gas pipelines from the Salta oilfield in the north of the country and from Mendoza to the existing and new refineries, extention of the refineries' capacity, new oil drillings, etc. The project will be executed under the supervision of the State Oilfield Department and is aimed at achieving self-sufficiency in oil by 1960. Some experts claim, however, that this target will not be attained, as Argentina's oil consumption is increasing faster than planned and may top 15m. tons in five years time.

A Shipyard for Greece

● After prolonged negotiations a contract has been signed between the Greek Government and the renowned tanker king Stavros Niarchos for the establishment of a shipbuilding and ship repair yard in Greece. The works will have a dock for repairing ships of up to 50,000 tons, and wharves 1,200 m. long, and will be equipped with adequate modern machinery. The investment, estimated at $8.6m., will be financed entirely by the *concessionaire* without any participation of the Greek State.

New Refinery for Egypt

● One of the first steps adopted by the recently established Supreme Egyptian Oil Board, under the direct supervision of Col. Nasser, was the announcement that henceforth no more refined oil will be imported by Egypt, which will save Egypt large sums in foreign currency. The Government-owned refineries at Suez are now able to handle all the crude oil needed for Egyptian consumption so that there will be no need to import refined oil. A new refinery is now being built in Alexandria which will facilitate the supply of Egypt's large industrial centres near that town. Aside from some 400,000 tons of kerosene, Egypt's refined oil is filling the needs of its consumption. The imports of benzine, diesel fuel and mazout will be stopped altogether.

THE JERUSALEM POST

Founded as The Palestine Post in 1932. Published daily except on Saturday in Jerusalem by The Palestine Post Limited. Registered at the G.P.O.

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GERSHON AGRON

Managing Editor
TED R. LURIE

Editorial Office and Management:
JERUSALEM: 9 Habavatzelet, P.O.B. 81. Tel. 4233 (4 lines).
TEL AVIV Bureau: 52 Nahlat Binyamin, P.O.B. 1125, Tel. 4251/2.
HAIFA Bureau: 1 Rehov Khayat, P.O.B. 66. Tel. 4594 (2 lines).
Subscriptions: Inland IL38.000. Foreign IL40.000 per year.

Tuesday, October 2, 1956
Tishri 27, 5717. — Safar 27, 1376

NEW DEAL FOR KIBBUTZIM

SPOKESMEN of rural settlers movements use the word "revolutionary" in respect of the Jewish Agency's new approach to young collective settlements, culminating in the decision to take over full financing and administrative responsibility for several kibbutzim. While their number has been fixed at ten for the initial trial period, the intention is to expand the scheme as time goes on and additional means become available, and to follow the new line for all settlements to be established in the future, so as to lead them through the "nursery" period without the financial stress — and the inevitable resulting social strain — that have become regular features of agricultural development.

Moreover, kibbutzim will benefit most from the higher standard of housing investment now being applied to agricultural settlements — apart from the assistance they are getting within the Saving for Building scheme —and from the big prolongation and consolidation programmes set into operation for agricultural credits. Thus, the critical turn in their financial situation may be overcome before long and an end put to the long-standing grievances about being discriminated against, compared with the smallholders settlements.

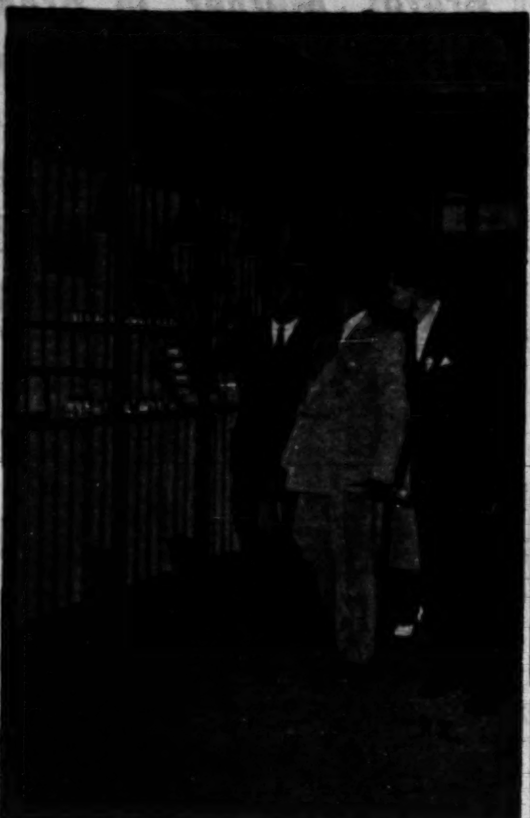
However, it is not these easier credit terms that give the new turn its "revolutionary" significance, and they too must be regarded in a wider framework. By agreeing to increase the basic "settlement budget" for each agricultural unit, in order to allow hard-pressed existing settlements to maintain a decent standard of living and to get rid of usurious short-term debts, the Jewish Agency and the Treasury have deliberately reduced the means available for new agricultural development, either in new settlements or in existing ones. Thus another step will be taken away from the pioneer settlement methods, which valued the mere setting up of farm communities without bothering too much about their economic viability, towards more solid planning which has already been proved, in other cases, to be both cheaper and more efficient.

This new attitude of increased economic responsibility is to be imposed upon the agricultural settlements too, and to be made the precondition for the Agency's help. The kibbutzim "taken over" by the Agency will not only get employment and budgets to make ends meet and to develop their earning assets on a sound basis, but also instructors appointed by the Settlement Department (though veteran members of the respective movements) who will have the decisive say in current planning of agricultural production, manpower, internal services, etc., and a vote power in respect of new investments and debts.

This drastic measure has been justified in the case of young kibbutzim by reference to their lack of experience and shortage of skilled administrative personnel, but it is also a proof of the inefficiency of the "movements'" central supervision, which only too often connived at extravagant investments and shut their eyes to unsound financing practices.

Nobody questions the settlers' pioneering zeal and the ultimate value of most of their projects, but these considerations are not enough to fix the priorities when spending limited means, and if no other restraint is applied, the best intentions eventually lead either to distress or to someone else footing the bill. The new departure, which has been given the blessing of all the bodies concerned, is therefore to be welcomed [illegible]

ISRAEL AT ZAGREB FAIR



Marshal Tito at the Israel Pavilion of the Zagreb International Fair (marked X), inspecting Israel pharmaceutical and antibiotic exhibits, which are being explained to him by Mr. M. Golan (XX), director of the pavilion. On the left (XXX) is the Mayor of Zagreb. Photo: Sluzba Hrvatske, Zagreb

THIS year Israel is participating for the first time in the Zagreb International Fair, which opened on September 7.

Zagreb has become one of the largest fairs in Europe, with its new grounds covering 370,000 sq.m.; 27 nations are taking part. Among those exhibiting for the first time are the U.S., China, India and Israel. In fact, Israel had intended to participate in the Z.I.F. last year. Unfortunately, due to circumstances beyond the control of the Committee for Fairs and Exhibitions, it had to cancel its participation.

Israel has built a relatively small pavilion, exhibiting about 50 products. It is strictly a trade show, i.e. only those exporters are exhibiting who have already found a market in Yugoslavia or who have good chances of selling their products there in the future. Among the exhibitors are some of the leading Israeli exporters. Especially worth mentioning are the tire factories, yarn wools, auto spare parts, pharmaceuticals and antibiotics.

So far more than 300,000 visitors have seen the Israel Pavilion, among them some illustrious guests: Marshal Tito (see picture), Mr. A. Rankovic, First Deputy to President Tito, the Mayor of Zagreb, and the Minister of Foreign Trade.

On September 13, "Israel Day" was celebrated and attended by the chief of delegations of all the countries participating, the Mayor of Zagreb, representatives of the Government, and the press. More than 200 guests attended.

BEN DAVID

More Efficiency for ATA

By Our Economic Editor

THIS year the Ata annual report came out later than usual owing to the prolonged labour dispute that was simmering in the plant for most of the summer, and is naturally devoted in the main to stating and amplifying the management's point of view. From this angle the most startling statement is that a 25 per cent reduction in direct labour costs (as in 1954) could be achieved by a reorganization of working methods and changes in the system of wage-premiums proposed by efficiency experts.

Even though ancillary labour costs are presumably less liable to saving, this could certainly be of the utmost importance for the company's financial results and competitive power, both at home and abroad.

In 1955, wages accounted for 39.4 per cent of total costs and an additional 7.5 per cent were costs of work contracted out, which is also largely made up of labour. Since cotton and other material costs (37.1 per cent), taxes (8.8 per cent, most of it purchase tax), and depreciation (3.3 per cent) were more or less immovable cost elements, and overheads (3 per cent of production costs) a relatively small item, substantial savings could evidently be achieved only by reducing the wage element.

As a matter of fact there was also an amount of IL362,000 — 2.2 per cent of total turnover — paid out as interest, mainly on bank overdrafts and short-term loans, but the report points out that under circumstances prevailing in the local capital market the company was unable to get additional equity capital and its short-term borrowing was mostly a function of the wage level (even though "sundry debtors and customers" also almost doubled last year).

8 Per Cent Bonus Shares

Nor can Ata's dividends be regarded as excessive (the company distributed 10 per cent cash for common shares last year and proposes to declare 8 per cent in bonus shares for 1955, which amounts to approximately the same), as witnessed by the declining trend in its shares' quotations.

The advance achieved in productivity (product per man-hour) in 1955 fell below expectations, however. It was 15 per cent in the weaving department and only 10 per cent in the spinning department.

Though taken in themselves these results could be regarded as very satisfactory, in practice their influence upon costs has almost been nullified by the rise of c.-o.-l. allowances and premium payments. Thus the average cost of work-hour (excluding the administration, management and sales departments) increased from IL1.61 in December 1954 to IL1.79 last December, i.e. by 11 per cent. Moreover, further progress in productivity, especially in the spinning section, has been hampered by the trade unions' opposition to dismissals and transfers of redundant workers. The problem is now being studied by a special commission and its recommendations are expected shortly.

The company's production continued to expand in 1955 along the lines stated in previous reports. The output of the spinning department (all figures including Kurdaneh works) increased by 11 per cent but the average count of yarn was 21.43 compared with 22.18 in 1954. The output of fabrics increased by over 8 per cent. However, sales proceeds rose from IL3.6m. to IL4.3m., due to higher prices.

The bulk of the sales increase was almost equally divided between fabrics and ready-made clothing, though fabrics advanced 40 per cent and clothing only 20 per cent. Exports also rose 30 per cent (to $1.46m.), all of it on account of piece goods, the main advances being this time in sales to Turkey and in Israel (paid in foreign currency). While in total sales of fabrics exports make up 37 per cent, their share in sales of clothing dropped from 5 to 4 per cent.

The report does not give details about the progress of the company's big expansion programme, but investment figures show that preparatory work is going on. Total investments in 1955 amounted to IL0.82m., of which factory buildings accounted for IL320,000 and equipment for IL474,000. On the other hand, the company's long-term loans rose from IL0.82m. to IL2m., while short-term indebtedness remained comparatively stationary.

Human Relations Count Most

By Our Economic Correspondent

THE strike at the Haifa telephone exchange has not attracted much attention as it seems a small matter against the background of the transport strike which threatened to dislocate traffic throughout the country. However, even a one-hour-a-day telephone strike has its repercussions. The lines are loaded even in the best of circumstances, but in this case are strained to breaking-point and Northern business men sometimes prefer sending a special messenger to Tel Aviv by rail if they have an urgent message to deliver instead of waiting for a call to go through to Tel Aviv. An inquiry into the direct and indirect results of this small labour dispute at the post office would reveal surprisingly far-reaching consequences.

Even more important than the damage caused by a dispute dragging on for weeks is the psychological background revealed by it. The issue at stake is payment for transporting P.O. employees to and from work. If a strike breaks out at a plant over a relatively small matter efficiency experts are convinced that something is amiss in the relations between management and employees. They argue that a minor matter would have been settled by negotiation, without affecting work in the plant, if the management and workers were on friendly terms.

Appeal to Public Spirit

In the case of the Haifa strike the employer is the State, and the work to be done concerns a public service of major importance. Whence, then, the determination of both sides to fight it out instead of reaching a reasonable compromise which would spare the public the inconvenience and financial loss of a truncated telephone service?

Although the dispute concerns working conditions the answer is not to be found in economics but in human relations. If the head of the department in which the dispute broke out had been aware of the employees' feelings he could have made arrangements for settling the differences in time. The employees would have understood that their work is important for the public and would have thought twice before launching a strike.

How lightly strikes are decided upon was shown recently when mail was not delivered in Tel Aviv for a whole day. The reason was the dismissal of a single postman, and it was countered by a lightning strike of all his colleagues. The post office gave in, temporarily reinstated the man — and thus got the men back to work.

Many of the striking postmen were probably unaware that non-delivery of mail for even one day causes confusion, delays, the sending of unnecessary cables and therefore considerable economic loss. On the contrary, they enjoyed the feeling of comradely solidarity in defending one of their own. They live in an environment where strikes have retained much of the old glamour of the early socialist fighting days when striking was dangerous, involved loss of income and often of a job and paved the way for the award of decent wages and social benefits. They are not aware that in Israel today a strike in a public utility like the post office can only be justified in extreme cases. They would probably dismiss appeals to their public spirit as mere rhetoric.

Psychologists who belong to the managerial staff of big modern enterprises agree that appeals to common sense and duty have no effect whatever if human relations in an enterprise are strained. They try to straighten things out in two ways. First, real grievances concerning working conditions are attended to, and only in rare instances is this impossible under modern conditions. Second, co-operation between managers and employees has to be ensured. And here a number of factors have to be taken into account. The worker must recognize the importance of his job, and how it fits into the general working schedule. Workers often show a new interest in their work when they understand its significance in the overall production process.

The avoidance of strikes and increased co-operation between employers and workers is obviously of great importance in this country, for which the raising of production is a primary goal. Managers — both in private and public undertakings — will not be able to accomplish much if they cannot secure the help of the Labour Councils in their endeavour to attain co-operation with the workers. The task of the trade unions is the defence of the workers. But in Israel, where they are omnipotent and take part in the management of production, they must use their influence with the workers in the interest of the economy as a whole.

In the long run they will benefit the workers more if they succeed in preventing certain strikes, and improvement of human relations all round will create an atmosphere suitable to negotiation.

Challenge to Management

By HERBERT PUNDIK

THE drive for higher productivity is slowly penetrating into more and more sectors of our economy. Originally the accent was on the industrial processes directly related to production.

We are, however, now witnessing the development of a more diversified approach, as increasing attention is being paid to the training of management on various levels, from the foreman in industry and the chief clerk in the office organization, to the top managers.

It must be realized, however, that in order to fulfil its main functions, management must rely on the office organization in order to get quick and correct information on various important manifestations of the life of the enterprise, e.g. finance, production, sales, and stock, and this work involves a large amount of internal and outgoing paperwork.

It is of decisive importance to management that the office organization should not lag behind the other departments of the organization in the drive for higher efficiency.

The office department is a production department just like any machine department. It does not engage in paperwork for the sole benefit of the office personnel, as many are inclined to think. It produces highly valuable information, that is, if management knows what to ask for, and how to use it.

Office work in Israel certainly does involve a great deal of wasted time and materials, but this may have its origin in two evils. First, the office may produce information which is important in itself, but which management does not know how to utilize. This is a waste of time, and it occurs frequently, but the office can hardly be blamed for this waste since the cause is plain mismanagement from above.

The second reason may be that the office produces unnecessary information, or produces important information but uses systems and procedures which are inefficient, wasting manpower and material. A few examples may be worth mentioning.

The mailing system may be in disorder or the filing system may be a graveyard where papers get lost completely or are difficult to find. The accounting system may not receive internal information in an orderly way, office memos etc. may be reproduced on a stencil-duplicator instead of a spirits-duplicator etc.

In short, the importance of introducing the principles of industrial engineering in the office in order to increase efficiency should be recognized. It should be understood that it is worthwhile investing attention and funds in the streamlining of the office. *There is always a better way* holds true for office work as in industry.

The Israel Institute of Productivity, in co-operation with the Civil Service Commission, has long been trying to work out a training programme for the equivalent of the American System and Procedure-Man, in order to cover local demands. Well aware as they are that our conditions do not yet call for so highly specialized a staff member of the industrial or administrative organization, a decision was finally made to launch a training project for a group of office management technicians, who should not only solve problems of systems and procedures, but also be able to assist the management in tackling other problems. This office management technician parallels the production technician trained by the Productivity Institute in the last five years who has been successfully introduced in local industry. Thus, a new profession is being introduced in Israel to speed up the productivity drive.

The course is designed as a residential one in Tel Aviv, and takes three months. After the theoretical part, the students will have to undertake a three-month project under supervision. The theoretical part consists of 558 hours of study, where 16 subjects will be covered ranging from management and organization, human relations and general accounting to costing and budgeting. Whether the hopes set on this new start will be realized depends on the management of our larger enterprises, public institutions, banks, etc. Will they take up the challenge?

New Flexible Irrigation Pipes

By a Special Correspondent

IRRIGATION costs in Israel could be slashed by the adoption of modern techniques developed in the U.S. and already widely used in California and south Texas farms, experts told *The Jerusalem Post*. Most local farmers were rather conservative in this respect and old-fashioned methods carried too much weight with the settlement authorities as well.

In many places sprinklers were excessively installed at heavy investment costs, partly in foreign currency, in order to save labour, though sometimes resulting in the waste of water. Steel pipes were widely used for plots capable of being irrigated by cement-lined ditches or channels, because pipes were more easily obtainable on credit for development purposes [illegible] combined application of sprinklers and ditches, which offers considerable advantages in some localities.

The latest development in the field of irrigation — flexible irrigation tubes — is almost unknown in this country. Made of polyethylene plastic material, these tubes are produced in diameters from 2 to 16 inches, and in pieces up to 300 feet long weighing less than 50 kg. They are seamless, non-corrosive, easily adaptable to any slope and contour, and retractable after use without having to enter the freshly watered field. On the few farms where experimental irrigation with these tubes has been installed by the irrigation engineer Y. Zimmerman (among them Ma'ayan Zvi, Sde Eliyahu and Hamadiya), costs per dunam averaged a fraction of the usual amounts, which run up to IL100-IL200 per dunam.

Of no less revolutionary importance was the use of polyethylene lining for irrigation ditches. It permitted the reduction of expenditure for a 5,000 cu.m. reservoir from IL70,000 to IL5,000.

Stocks and Commodities

Dollar-Linked Bonds Firm in Tel Aviv

TAVEI Dollar, Palestine Electric, Dollar-linked Keren Hayesod and Rassco bonds continued firm throughout the week. Tavei Dollar reached a new peak on Sunday of 77 and ⅞ per cent, equivalent to approx. IL1.400 per Tav Dollar. Tavei Dollar only topped this price before on its issue in 1954 when it reached a peak of approx. IL1.500. Palestine Electric dollar-linked came to 111½, while Keren Hayesod and Rassco were quoted at a premium of more than two points. Slightly better too were Milve Hova, Stock A, I.L.D.C., Africa-Palestine and Nesher debentures, while Palestine Potash prefs. advanced by three points.

Elsewhere on the market the easy trend prevailed and a long list of small losses was registered, among them Bank Leumi, Potash Ordinary, Palestine Electric prefs., Ata, Kurdaneh, Moller, Assis and Palestine Cold Storage.

Eight per cent shares will be allotted out of capitalized reserves to ordinary shareholders of Ata and Kurdaneh and 6 per cent on Ata deferred shares, when the general meetings of the two Companies to be held on October 21 have confirmed the resolution. The new bonus shares will carry dividends as from January 1, 1956.

On the "curb," conditions remained satisfactory, with encouraging news from Heletz helping the demand for the Israel Oil Prospectors at around 15, while Jordan Exploration remained unchanged at around IL1.800.

New Low Levels in New York

MIDDLE East and domestic political uncertainties were held largely responsible for the month's new low levels reached on Friday on Wall Street. Dow Jones average for 30 Industrials was 475.25 as against 483.72 last week.

Firm Undertone in London

A GOOD advance in Suez Canal shares was reported from London. A firm undertone was maintained on the London markets as a result of small selective buying. The strength of certain Free-State issues was reflected in some gold shares. Coppers were dull with tins irregular and oils sensitive and undecided.

The premium on American securities in London touched a new peak of 8½ per cent and after intervention receded slightly. In the meantime, Britain is reported to be considering requesting an International Monetary Fund loan amounting to $500m. to bolster up its falling gold and dollar reserves. According to estimates, the September figures which will soon be released in London will show another considerable loss in reserves. These have been declining considerably since the nationalization of the Suez Canal, as the Exchange Authorities in Britain are spending gold and dollars to take surplus sterling off the market in order to prevent the price from breaking below $2.78. Security Sterling has continued to weaken and the rate fell to under $2.50.

Suez Canal Shares Recover in Paris

ON the Paris Bourse there were advances in expanded trading. North-African securities made a good recovery, while Suez Canal gained Ffrs.2,300 at week-end and were quoted at 64,500 as against 64,000 last week. It appears that Suez Canal shares now make an interesting speculation. The Company has considerable interest in some 700 corporations all over the world and short-term investments, which together with real estate, cash and materials bring net assets to $290m., exclusive of Canal holdings. Thus, should the Suez Canal liquidate, holders of shares would receive $320 per share, or almost twice the current market price, plus whatever indemnity would be received from Egypt.

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Tel Aviv Stock Market

OCTOBER 1, 1956

Pop. Loan 1949/69 (IL10)	96⅜
3½% Tavei Dollar x)y)	77⅞
4 % Comp. Loan 56/67	64½
3½% War Loan 54/59	95
3½% Gov. Bds. (large)	98⅛
4 % Reg. Sterling "A"	92⅛
4 % Reg. Isr. Cur. "B"	96⅞
Pal. Bearer Bds. Ser. 3	91½
Bk. Leumi ord. sh.	164½
Bearer Savings Cert.	85½
A.P.B. Investmt. ord. sh. "B" reg.	104½
Gazit ord. sh. "B" reg.	94½
Ellern's Inv. ord.	158
P.E.C. Inv. ord. "B" reg	99½
Gen. Mortg. Bk. ord. sh.	72
Bizur 4% debs. 56/65	84
Nir 4% Debs. (bearer)	89
5% pref. sh.	84⅛
Pasa 4% debs. 40/64 reg.	76½
"Inva" 5% debs.	81
I.L.D.C. ord. sh. reg.	95½
5% debs.	85½
Afr. Pal. Inv. ord. sh.	65½
Rassco 6% pref. ord. sh.	88½
Pal. Potash 6% pref. sh.	312
"A" ord. shares	80
Pal. Elec. pref. sh. (Ldn.	278
6½% Bonds 57/64 f)	110½
ditto g)	105½
Mekorot pref. sh.	78
Ata ord. "B" sh.	104
6-8% con. debs.	85
"Kurdaneh" ord. "B"	108
7% con. debs. 59/68	82½
Moller-Dee ord. sh. reg.	835
Pal.-Brewery 8% con. debs.	74½
Assis Bejerano "B" sh.	116½
"Teva" ord. Sh.	101½
Nesher 6% debs. "A"	113½
Pal. Cold St. 7% debs.	125
ord. sh. reg.	182½
Pal. Centr. 8% debs.	96

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-dividend; e) ex-right; f) linked with $; g) linked with C.o.L.; x) in % of IL1.800; y) in Prutot.

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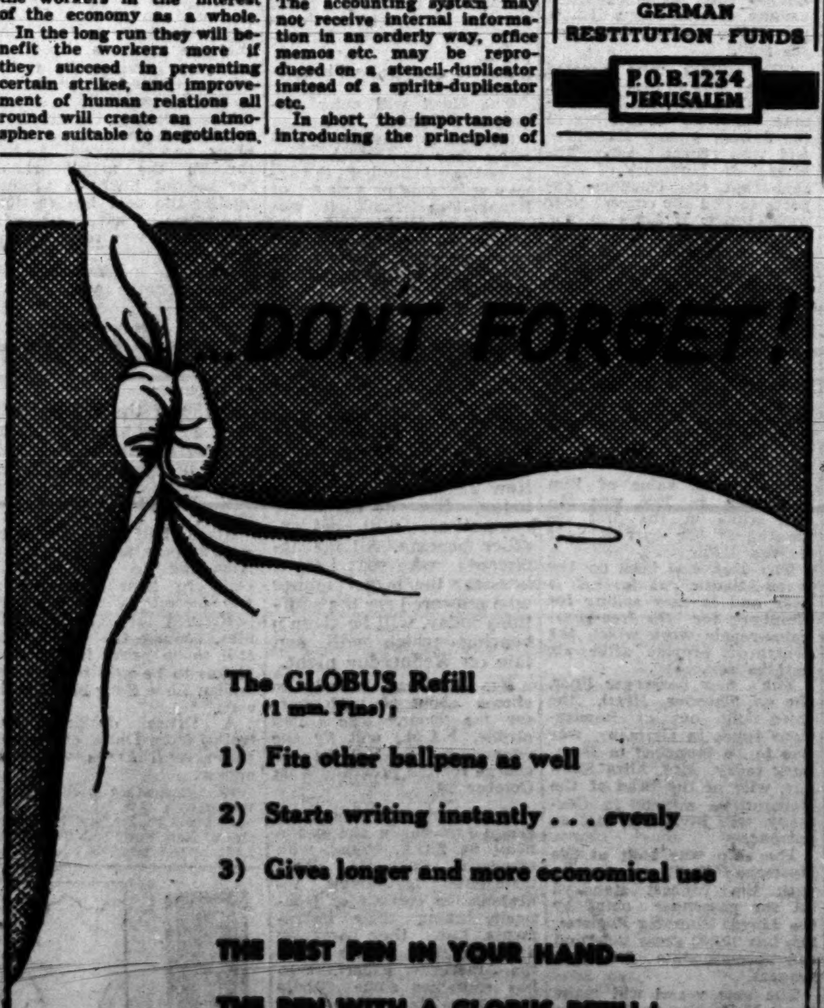
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